100 YEARS

Grupo nutresa

A FUTURE TOGETHER

Integrated Report 2019

PRESENCE IN OUR STRATEGIC REGION

[GRI 102-4] [GRI 102-7]

Distribution and sales

Biscuits | Cold Cuts | Chocolates | Coffee | Tresmontes Lucchetti | Retail Food | Ice Cream | Pastas

Production | Distribution | Services

United States
2019: 9,2%
2018: 7,3%
Production plants: 3

Dominican Republic and the Caribbean
2019: 1,9%
2018: 1,8%
Production plants: 1

Mexico
2019: 3,4%
2018: 3,6%
Production plants: 2

Colombia
2019: 62,3%
2018: 63,6%
Production plants: 30

Central America
2019: 9,8%
2018: 9,6%
Production plants: 5

Ecuador
2019: 1,4%
2018: 1,5%

Venezuela
Production plants: 1

Peru
2019: 2,3%
2018: 2,3%
Production plants: 1

Chile
2019: 7,5%
2018: 8,1%
Production plants: 3

Malaysia
Production plants: 1

Other
2019: 2,2%
2018: 2,2%

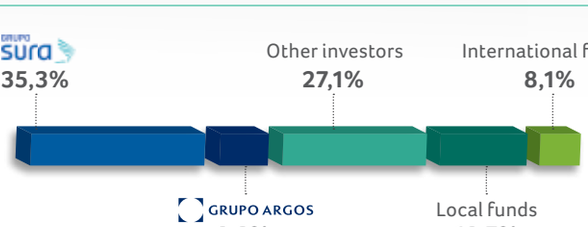
47
Production plants

14
Countries where Grupo Nutresa has production plants and distribution network

Shareholding structure
December 31, 2019.

Source: Deceval.

11.037
Shareholders



Market share

Source: Nielsen.

In Colombia**

Grupo Nutresa's consolidated share in Colombia

- 62,5% Cold Cuts
- 52,4% Biscuits
- 69,3% Chocolate confectionery
- 56,6% Hot chocolates
- 28,4% Milk modifiers
- 48,1% Nuts
- 49,1% Ground coffee
- 39,9% Soluble coffee
- 52,5% Pasta

In Chile

- 59,4% PDMP*
- 28,1% Pasta
- 17,2% Coffee
- 13,6% Potato chips

In Mexico

- 34,1% PDMP*

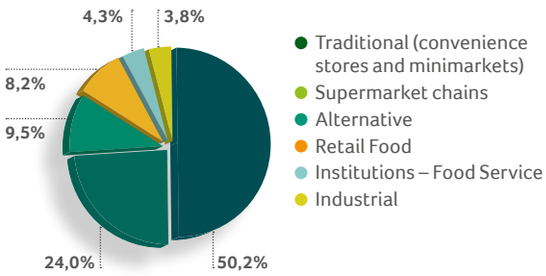
*Powdered drink mix products

#1

In the hamburgers and steakhouse categories in Colombia.
In ice cream shops in Costa Rica and the Dominican Republic.

**New full market estimation model, which integrates several of Nielsen's sources of information (RMS, HomeScan, industry coverage matrix and crowdsourcing). Includes Discounters and Direct Sales, among other, and excludes institutional and wholesalers.

Grupo Nutresa's sales by channel

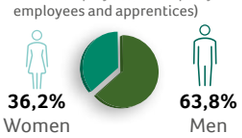


Points of sale
1.425.141
Sales people: 9.235

Novaventa network
192.666
Individual entrepreneurs

Employees
45.803

(Direct employees, third-party employees and apprentices)



(Direct employees and apprentices)

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 culture of leadership, 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 the best price-value ratio.

Market entry capabilities

Our broad distribution network and market entry capabilities, with a product offer that is organized by channels and segments and with specialized service teams, allow 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]

Grupo nutresa

- Comercial nutresa
- Novaventa
- La Receta / Atlantic — Food Service
- International sales and distribution network
- Servicios nutresa

DIGITAL TRANSFORMATION

Grupo Nutresa is advancing in its digital transformation process as a fundamental part of an assertive, proactive and innovative corporate model, based on the development of key initiatives that enable it to evolve and offer better experiences to both shoppers and consumers.

Main risks of our business model

Volatility in commodity prices and exchange rates.

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

Negative impact of a highly competitive environment on the Businesses.

Our long-term commitment

MEGA 2020
Duplicate our sales 2013

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 appreciated 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.

RESULTS 2019

Of our strategic goals for 2020

Acting with integrity

Employees who participated in awareness-raising and training activities focused on preventing money laundering and terrorism financing:
+10.700

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

Employees who received training on the Code of Corporate Governance:
+15.500

120 risk, crisis and business continuity management workshops, talks and simulations.

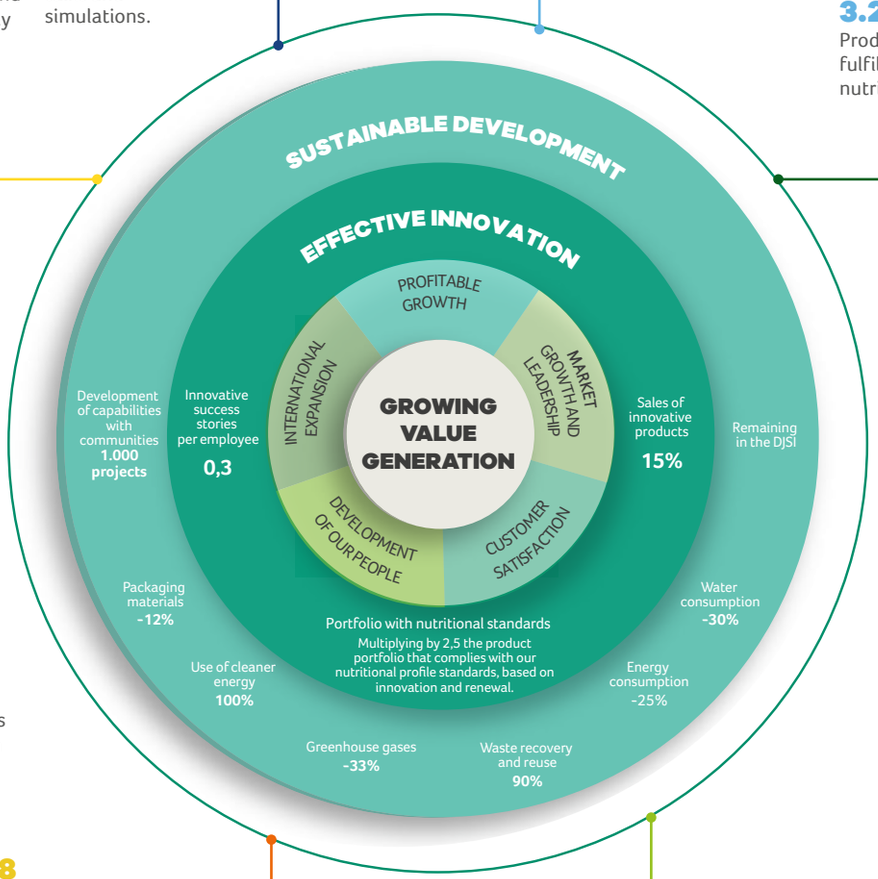
Promoting a healthy lifestyle

Products with GDA labeling:
2019: **88,7%**
2018: 86,4%

Products manufactured in certified centers:
2019: **88,2%**
2018: 84,6%

Volume of sales that meets Nutresa's nutritional profile:
2019: **69,3%**
2018: 68,2%

3.216
Product items fulfill the Nutresa nutritional profile.



Building a better society

Capability-development projects:
2019: **945**
2018: 879

Employees with disabilities:
2019: **223**
2018: 199

20
discussion sessions focused on Human Rights

Investment in communities:
2019: **90.818**
2018: 70.972
COP million

Fostering profitable growth and effective innovation

Variation in productivity:
2019: **4,9%**
2018: 3,2%

Innovative success stories per employee:
2019: **0,21**
2018: 0,21

Sales of new products*:
2019: **22,4%**
2018: 21,5%

Brands with sales over USD 50 million:
2019: **18**
2018: 18

*Measurement of the past three years.

Managing the value chain responsibly

Accident frequency rate:
2019: **1,66**
2018: 1,53

Sourcing from local suppliers:
2019: **81,1%**
2018: 83,0%

Customer satisfaction index in Colombia:
2019: **87,7%**
2018: 89,0%

Organizational climate:
2019: **83,0%**
2018: 83,0%

Investment in quality of life, training and aids for employees:
2019: **106.225**
2018: 104.389
COP million

Reducing the environmental impact of the operations and products

Energy consumption reduction*
2019: **-22,7%**
2018: -20,4%

Reduction in the consumption of packaging materials*:
2019: **-2,1%**
2018: -0,7%

Greenhouse gas emission reduction*[1]:
2019: **-46,2%**
2018: -43,7%

Investment in environmental management actions in the strategic region:
2019: **25.511**
2018: 30.078
COP million

Water consumption reduction*:
2019: **-31,4%**
2018: -29,2%

*In relation to 2010. Per ton produced in Colombia.

[1]This reduction is related to the supply of certified green energy, which is considered to be emissions free.

MEMBER OF
Dow Jones Sustainability Indices
In collaboration with SAM

SAM Sustainability Award Silver Class 2020

GRI Community Grupo Nutresa 2020

Emisor bvc Comprometido IR

"The Issuer Acknowledgment awarded by Bolsa de Valores de Colombia S.A. (the Colombian Stock Exchange) is not a certification of the favorability of the registered securities nor of the issuer's solvency."

PROFITABLE GROWTH [GRI 102-7]

Increased
Decreased

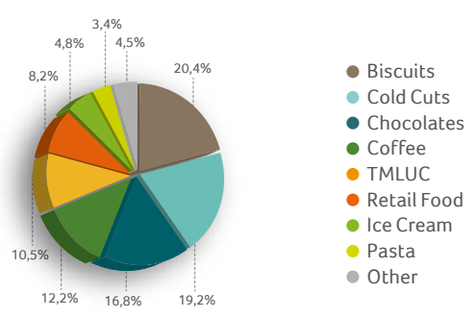
	Biscuits	Cold Cuts	Chocolates	Coffee	Tresmontes Lucchetti	Retail Food	Ice Cream	Pasta
Total sales COP thousand million	2.029 / 1.823	1.912 / 1.850	1.677 / 1.553	1.210 / 986	1.042 / 995	815 / 738	476 / 444	343 / 302
9.959 2018: 9.016 Increased **10,5%**	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018
	11,3%	**3,4%**	**8,0%**	**22,8%**	**4,8%**	**10,4%**	**7,0%**	**13,6%**
EBITDA COP thousand million	277 / 244	238 / 228	232 / 250	141 / 99	142 / 129	184 / 85	68 / 54	43 / 33
1.347 2018: 1.126 Increased **19,6%**	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018
Margin **2019 13,5%** Margin 2018 12,5%	**13,5%**	**4,2%**	**-7,0%**	**43,5%**	**9,7%**	**115,7%**	**25,0%**	**32,7%**
Margin	**2019: 13,6%** 2018: 13,4%	**2019: 12,4%** 2018: 12,3%	**2019: 13,8%** 2018: 16,1%	**2019: 11,7%** 2018: 10,0%	**2019: 13,6%** 2018: 13,0%	**2019: 22,6%** 2018: 11,6%	**2019: 14,2%** 2018: 12,2%	**2019: 12,6%** 2018: 10,8%
Sales in Colombia COP thousand million	980 / 898	1.734 / 1.682	1.011 / 955	660 / 623	Not applicable	563 / 521	476 / 444	340 / 300
6.204 2018: 5.737 Increased **8,1%**	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018		2019 / 2018	2019 / 2018	2019 / 2018
Volume **2019 6,9%** Volume 2018 2,1% Price **2019 1,2%** Price 2018 2,0%	**9,1%**	**3,1%**	**5,8%**	**6,0%**		**8,0%**	**7,0%**	**13,5%**
Percentage of total sales: **62,3%**	**2019** 2018 Vol. **8,4%** -1,2% Price **0,6%** 3,6%	**2019** 2018 **3,6%** 0,9% **-0,4%** 0,4%	**2019** 2018 **3,4%** 3,5% **2,4%** 0,4%	**2019** 2018 **5,9%** 2,4% **0,1%** 2,3%		No aplica	**2019** 2018 **3,0%** 4,2% **4,0%** 0,7%	**2019** 2018 **10,2%** 0,7% **3,0%** 1,6%
Sales abroad USD million	319 / 313	54 / 57	202 / 201	166 / 123	318 / 338	77 / 73	Not applicable	Not applicable
1.142 2018: 1.109 Increased **3,0%**	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018	2019 / 2018		
Percentage of total sales: **37,7%**	**2,1%**	**-5,0%**	**0,5%**	**35,1%**	**-5,8%**	**4,8%**		

Variation in the prices and volumes without data from the Retail Food Business.

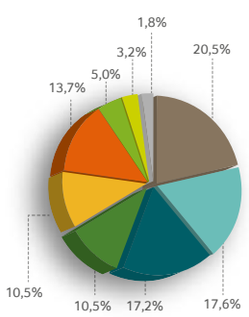
Sales of innovative products
(% on total sales)

22,4%
2018: 21,5%
2017: 20,2%

Percentage of sales by Business

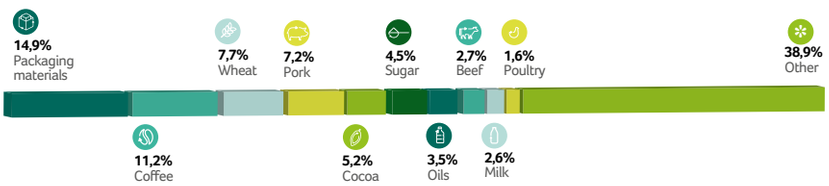


Percentage of EBITDA by Business



Diversification of commodities

Production cost %



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

FIND MORE INFORMATION AT http://informe2019.gruponutresa.com/pdf/integratedreport2019.pdf

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://informe2019.gruponutresa.com/pdf/integratedreport2019.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://informe2019.gruponutresa.com/pdf/informe_de_verificacion.pdf.

KPMG Advisory Services S. A. S. | March 2020.

Further information:

100 YEARS | Grupo nutresa | A FUTURE TOGETHER

In Grupo Nutresa, we celebrate our 100th anniversary by acknowledging our stakeholders, who have made possible what we have achieved and what we will achieve in our near future.

You represent the value of our present and the inspiration for our future.

We will celebrate our commitment to this future in 2020 as we are convinced that only by being united we will be able to keep building A Future Together.

Scan the code and tell us about your commitment.

Commitment

Communities

Beatriz Elena Muñoz Arenas

Principal of the Los Micos Rural Education Center in Colombia.

"Grupo Nutresa contributes to strengthening and guiding educational and social processes. Its support is essential because, by putting the communities first, it identifies the most relevant needs. We now have a clear understanding of the methodological strategies the Organization has taught us to make social, community-related, academic and pedagogical interventions. Today, were are an institution that is going along the right path, having restored its credibility in our society."

Balance

Employees

Jenniffer Soreyn Zúñiga García

Employee from the Biscuits Business, Guatemala

"Balance and harmony are reflected on the work environment, on how important my well-being as an employee is for Grupo Nutresa, and on the opportunity I have to grow both professionally and personally. This is a company that trusts the job I do and lets me take on a leadership role. Additionally, with the social and corporate responsibility campaigns promoted by Grupo Nutresa, we are achieving a positive balance for everyone."

Future

Suppliers

Apolinar Mosquera

Chairman of Asoagriac, project Cocoa Agro-Business Connection, Urabá, Colombia

"For me, everything I have learned from Grupo Nutresa has been very important because it means progress for my cocoa production unit. What we are doing right now, while learning from good practices, is to think about the future, listening, embracing the best ideas and growing."

Inclusion

Employees

Diana Cristina Saldarriaga Zapata

Employee from the Coffee Business, Colombia

"Many people with disabilities end up staying home doing nothing, but Grupo Nutresa has given us the chance to feel as equals. Being an employee of this Organization has allowed me to learn new things every day, teach others about the processes and receive the support from many people. The fact of working for Grupo Nutresa lets me enjoy plenty of time with my family, allows me to pay for my house, support my mom, and give my baby everything she needs."

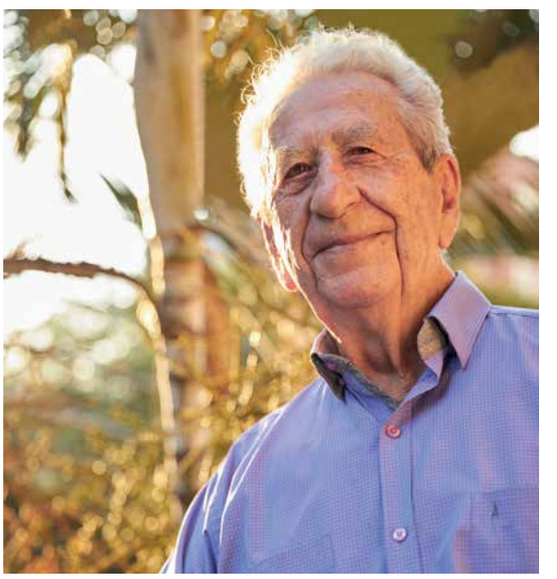
Trustworthiness

Shareholders

Francisco Javier Yepes Arango

Shareholder, Colombia

"Investing in Grupo Nutresa means trustworthiness and soundness. I feel confident they are doing things right and that they care about the adequate nourishment of consumers and the necessary protection of the environment. Owning stock in the Organization is also a way of saving and creating awareness about the reality we are currently living. It is a company where you know there is transparency, as well as noble and clear aspirations."



Nutrition

Consumers and shoppers

Lina María Torres Montoya

Consumer, Colombia

"I am aware of the importance of healthy and balanced eating habits because I am a sportswoman and I need to know my body and have a clear understanding of what helps me to have a better performance. Having a balanced diet means you have to understand what you should eat and at what time of the day. Grupo Nutresa offers a portfolio of the products I need with wholemeal, low-sugar and fiber-rich components."

Well-being

Customers

Elcy Beatriz Clavijo Estrada

Manager of La Palma, a small grocery store in Colombia

"For me, family, friends and work represent well-being, as well as being able to sell Grupo Nutresa's products, which are widely recognized and loved by people because they mean savings, quality, support and reliability."

Prosperity

Suppliers

Luis Andrés Arcila Piedrahíta

CEO of Piloto S. A. S., one of Grupo Nutresa's Exemplary Suppliers, Colombia

"We have grown hand in hand with Grupo Nutresa because it demands a great deal from us, but it also provides us with a strong and comprehensive support so that we can fulfill and exceed high standards. We have found in Grupo Nutresa a partner that listens to and helps us in solving problems so that we can be part of a productive chain that produces the best shared results."

Progress

Customers

Lina María Sastoque Londoño

Novaventa's individual entrepreneur, Colombia

"For me, Grupo Nutresa is like a shelter that enables me to make progress and grow. Being one of Novaventa's individual entrepreneurs allows me to save, get the things I need and help people to buy high-quality products. When people see that I am happy and proud, they want to become leaders just like I have. I know I am making progress when I am on the right track to fulfilling my goals and dreams."

Corporate Contacts **[GRI 102-53]**

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Board of Directors, Management Team and Testimonials

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A flowering coffee tree in the state of Huila, Colombia.

ABOUT THIS **INTEGRATED REPORT**

Grupo Nutresa has prepared the Integrated Report 2019 **[GRI 102-1] [GRI 102-50]** to share with its stakeholders how the Organization manages risks and opportunities of the material issues that can impact the capacity to create value to the society. The Report comprises the main sustainability achievements, accomplished between January 1 and December 31, 2019. It also contains the future projections that will enable the Organization to share moments with its stakeholders for another 100 years.

The Integrated Report was designed with the purpose of communicating the Company's strategy, management work, future outlook and success stories. Additionally, it includes indicators that reflect how the Organization contributes to the fulfillment of nine of the Sustainable Development Goals (SDGs 1, 2, 4, 8, 9, 12, 13, 16 and 17) **[GRI 102-12]**, which are related to each one of Grupo Nutresa's six strategic priorities regarding sustainability: Acting with integrity, Fostering profitable growth and effective innovation, Promoting healthy lifestyles, Managing the value chain responsibly, Building a better society, and Reducing the environmental impact of the operations and products. The Report also includes the progress related to the fulfillment of the ten principles of the Global Compact, thus representing the eleventh progress report submitted to the United Nations **[GRI 102-12]**.

This document was prepared in accordance with the standard (Comprehensive option) published by the GRI (Global Reporting Initiative), 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 topics 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, the number of employees and number of manufacture operations were included.

Reading guide

General contents **[GRI 101-3]**
Material topics **[GRI 301-1] [G4-FP1]**
Sustainable Development Goals SDG **[ODS 16]**

For an easier understanding by the readers, a specific format has been defined with the purpose of enabling a clear identification of the basic GRI contents in relation to each material topic and the Sustainable Development Goals to which they are connected. This document is available in its entirety on the Company's website, both in English and Spanish (http://informe2019.gruponutresa.com/)

This report is inspired by Grupo Nutresa's 100-year Manifest. Scan this code and find out about it.

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For this report, data on **[GRI 205-3] [GRI 102-48]** was restated, by differentiation between corruption cases and acts against the Code of Corporate Governance, as well as the methodology to consolidate leave days and fatalities **[GRI 403-9] [GRI 403-10]** **[GRI 102-49]** . This document does not contain information related to the environmental performance of the Cold Cuts Business's production plants located in Santa Rosa de Osos, Antioquia, and of the Ice Cream Business's production plant located in Armenia, Quindío. It does not incorporate data from the Retail Food Business with regard to topics such as Nutrition and healthy lifestyles, and it does not include information regarding the Biscuits Business's production plant located in Cumaral, Meta.

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 subsidiaries follow the accounting practices and policies adopted by the Parent Company, and in the case of the subordinate companies located outside Colombia they 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.

The non-financial information is verified by KPMG Advisory y 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.

ENGAGEMENT MODEL

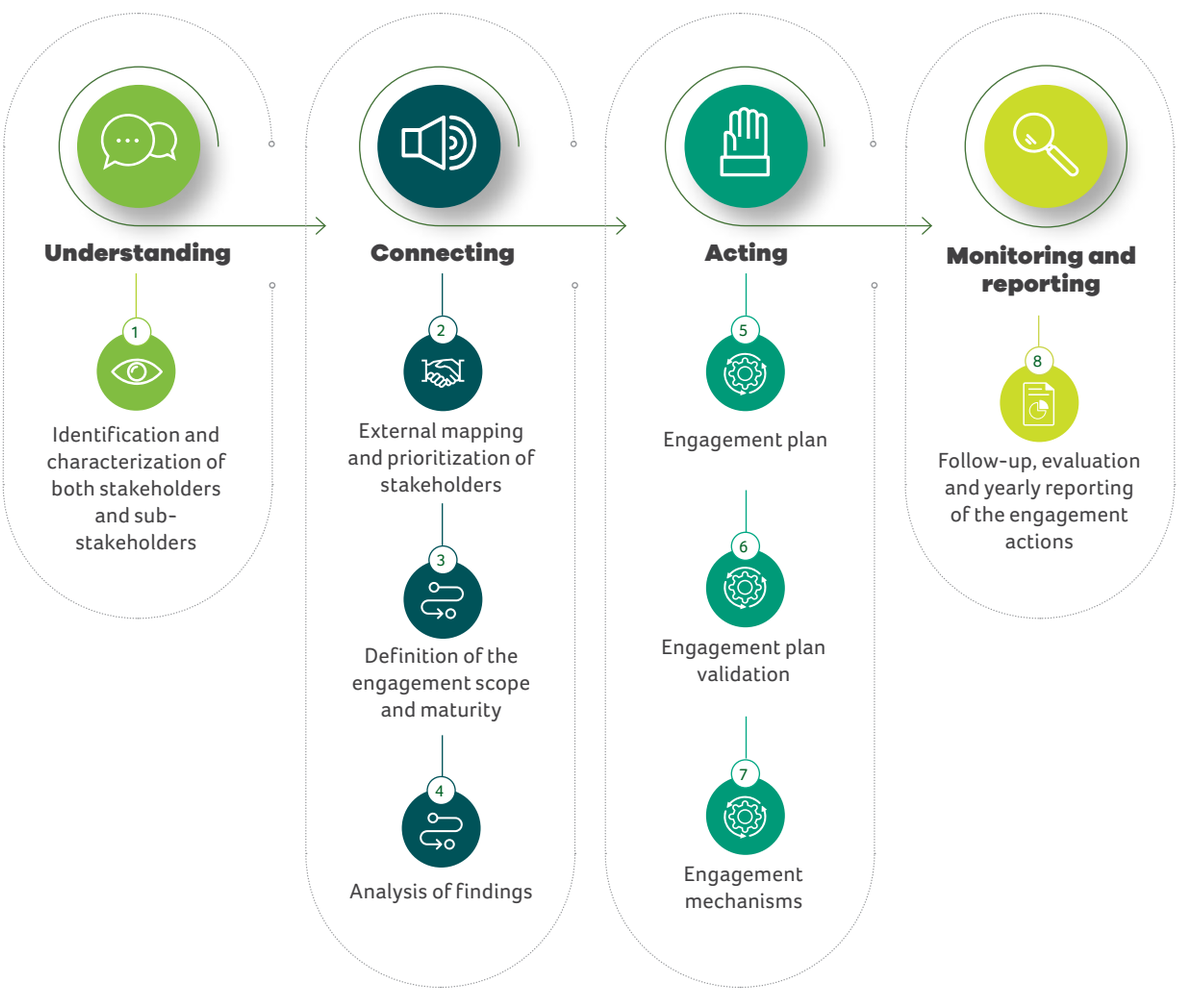
[GRI 102-21] [GRI 102-40] [GRI 102-42] [GRI 102-43]

Grupo Nutresa contributes to the development of humanity by acting uprightly and transcendently, with the ultimate goal of being a people-centered Organization. The Company has been actively fostering diverse capabilities among its employees to enhance the necessary skills for managing the stakeholders, enabling the development of an effective engagement and promoting a constructive and participative long-term dialog. This is a constant and progressive process that will allow enriching the materiality analysis and strengthening the sustainability management work.

As its fundamental premise, and according to the guidelines of the AA1000 international standard, Grupo Nutresa applies the essential principles of engagement: inclusiveness, materiality, impact and response capacity in all the relations with its stakeholders. The purpose of this action is to reinforce the processes focused on the identification, prioritization and effective engagement with its stakeholders; to foster a constructive and participative long-term dialog that enables knowing and documenting their expectations in a dynamic and assertive way; to consolidate the relevant findings that make the revision of the materiality matrix's validity term possible when necessary; and to adapt the work plans of the Businesses.

STAGES AND PHASES OF GRUPO NUTRESA'S ENGAGEMENT MODEL

The Company implemented the engagement model in the Coffee, Ice Cream and Cold Cuts Businesses, with the neighboring communities of Medellín, Bogotá and Aguachica (Colombia) as the intervention focal points.



ENGAGEMENT PURPOSE

Suppliers
To strengthen and develop our suppliers and contractors as partners in the sourcing chain with the aim of enhancing the mutual growth and ensuring an adequate and timely supply for our Organization.

Government
To contribute to the development of public policy proposals that favor the progress of the entire society.

Customers
To offer differentiated value propositions consisting of reliable products and leading brands that enable their growth, capability development, satisfaction and loyalty.

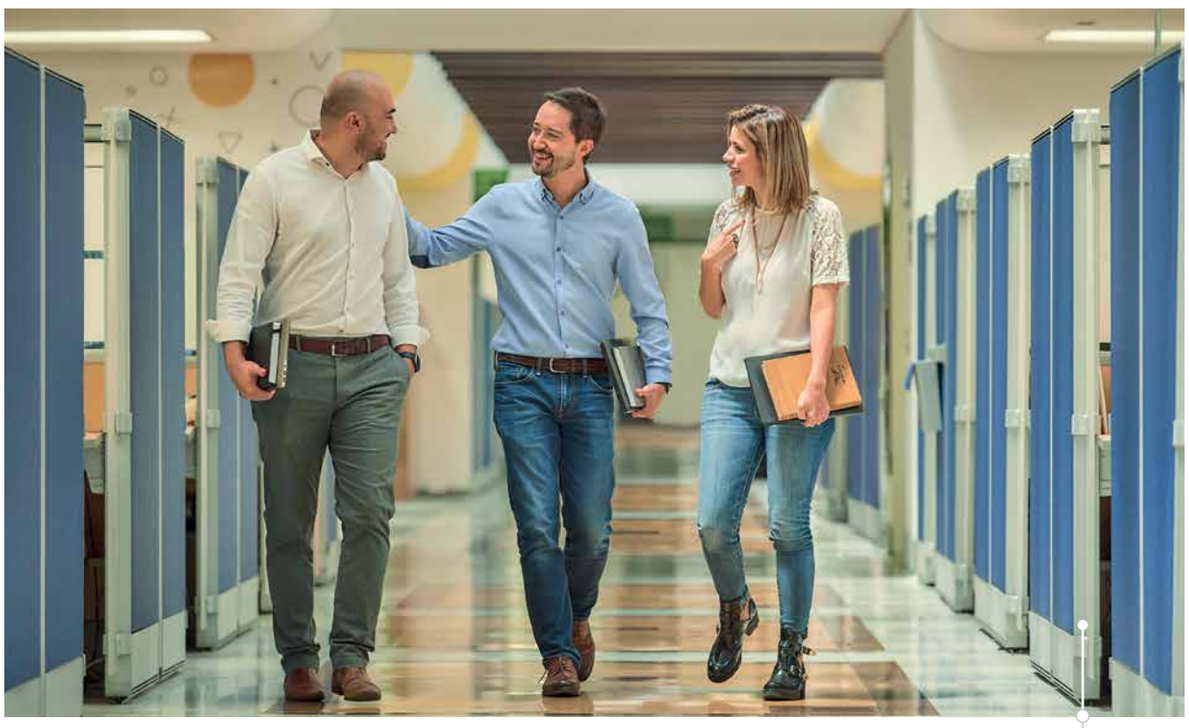
Employees
To promote environments of adequate communication, participation and volunteer work that strengthen trustworthy relations and contribute to the improvement of organizational practices that enhance the employees' quality of life, development and productivity.

Consumers and shoppers
To contribute to the improvement of the quality of life of our shoppers and consumers by means of memorable brand experiences and differentiated value propositions that meet their nutrition, wellness and enjoyment needs, thus creating a connection with their motivations and purposes.

Communities
To strengthen the development of capabilities and the self-management of the communities with the promotion of alliances and the mobilization of tangible and intangible resources.

Shareholders
To create sustainable economic value in a trust-based environment with our shareholders and investors by applying good corporate governance practices and timely disclosing relevant information.

MATERIALITY ANALYSIS [GRI 102-46] [GRI 102-47]



Grupo Nutresa continuously strives to be a people-centered organization. That is why it fosters diverse capabilities that enable its employees to perform an optimal management of the matters related to its stakeholders.

With the purpose of identifying the sustainability trends that might have a major impact on the Organization's ability to generate value in the short, medium and long term, Grupo Nutresa has been conducting its materiality analysis since 2011.

For this process, the Company considers the opinions and priorities of its most relevant stakeholders, as well as the global risks and the emerging issues from the food, restaurants and omni-channel company sectors. Additionally, the Organization performs benchmarking exercises with international peers from the industry, and considers assessment criteria established by different sustainability monitors and rankings.

The materiality matrix was updated in 2013 and 2015, and its scope was expanded in 2017 and 2018. During the last analysis, **23 relevant topics** were identified, **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 others.
- **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 the Dominican Republic.

Milestones (materiality and engagement model)

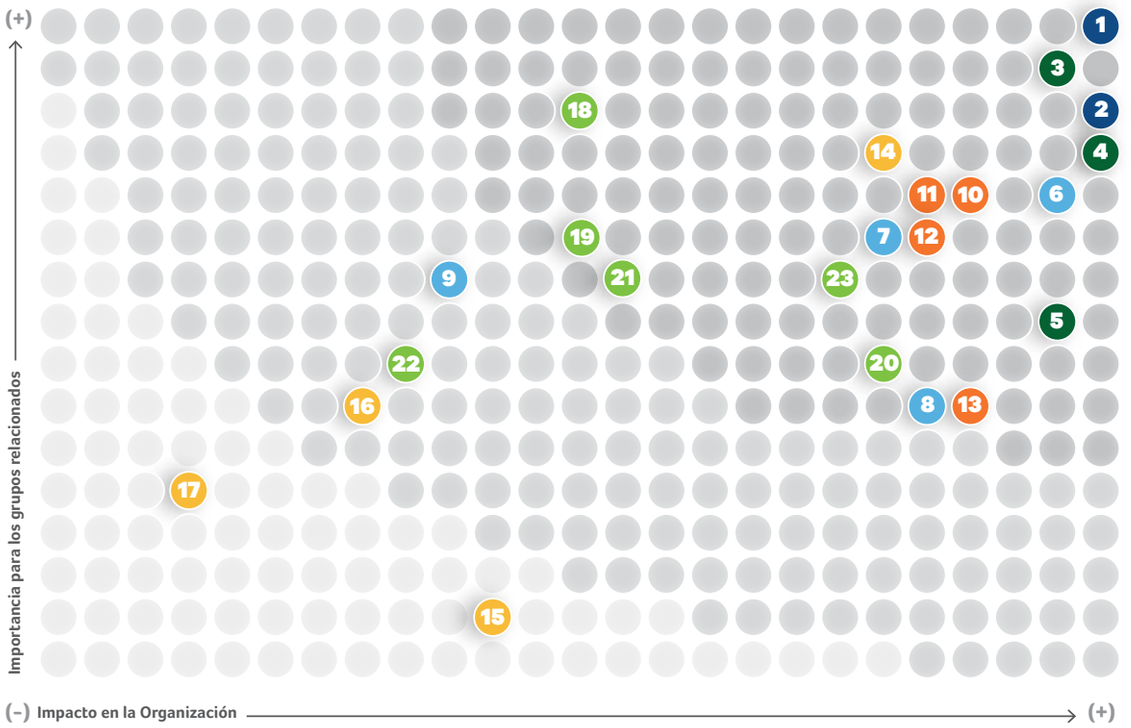
2008
Presentation of the first sustainability report, aligned with the criteria of the Global Reporting Initiative (GRI).

2011
Grupo Nutresa performed its first materiality analysis in Colombia.

2013
Second update of the materiality matrix.

2015
Revision and expansion of the materiality scope, including Chile, Colombia, Costa Rica, United States and Mexico.

2017
Materiality analysis coverage extension to cover Panama, Peru and the Dominican Republic.



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. Water resource management
19. Energy
20. Climate change
21. Air quality
22. Waste management
23. Packaging and post-consumption

2018

Development of purposeful and joint-construction communications with suppliers within the framework of Grupo Nutresa's annual Exemplary Supplier acknowledgment event.

2018

Formulation of the model for good practices and engagement with the stakeholders.

2019

Implementation of the engagement model in the Coffee, Ice Cream and Cold Cuts Businesses, with the neighboring communities as the intervention focal point.

2019

Creation of four strategic engagement committees for the Businesses.

GRUPO NUTRESA AND ITS **COMMITMENT** TO THE **SUSTAINABLE DEVELOPMENT GOALS** (SDGS)

The adoption of the Sustainable Development Goals established by the United Nations is a relevant topic in the global work agenda, especially in Latin America, where countries and their governments submit yearly national reports on the progress regarding their implementation. To achieve a greater contribution to the fulfillment of these goals, Grupo Nutresa has aligned its sustainability strategy with the 2030 Agenda for Sustainable Development, a 15-year plan in favor of people, the planet and prosperity. Thus, the Organization's programs, work methodologies and metrics are intended to make progress in the accomplishment of the SDGs.

Grupo Nutresa is aware of the role of private companies in the successful fulfillment of this set of goals, and of the fact that its actions add value to the process of advancing into a natural transition toward a more sustainable development. The goals that have been prioritized by the Company, that is, those for which it can make a more effective contribution are: SDG 1 (No poverty), SDG 2 (Zero Hunger), SDG 4 (Quality education), SDG 8 (Decent work and economic growth), SDG 9 (Industry, innovation and infrastructure), SDG 12 (Responsible consumption and production), SDG 13 (Climate action), SDG 16 (Peace, justice and strong institutions), and SDG 17 (Partnerships for the goals).

The Organization has selected the following indicators to report its progress in relation to the attainment of the goals established in the agenda for 2030.

To understand the Organization's contribution to the global agenda, the SDG number and the related goal are included as follows:

1.1

8.3

2.062
Small farmers who have received training in socio-entrepreneurial matters.

Employment generation

29.180
Direct employees and apprentices.

16.623
Indirect employees.

8.5

40,6
Average hours of training per employee.

COP 106.225 million
Invested in quality of life, training and aids for employees.

8.7

13
Matrices of Human Rights risks in Grupo Nutresa.

Safe work environment

1,45
Lost-time injury frequency rate (LTIFR) x 200.000 worked hours

0,34
Absenteeism rate due to occupational illnesses (OIFR2) x 200.000 worked hours

4.1

443
Schools benefited through Grupo Nutresa's programs.

431
Education institutions benefited with a satisfactory performance in the countrywide standardized tests.

4.10

73,9%
Average institutional quality performance.

406
Teachers who have received training related to the integration of technology into classroom practices.

9.4

17
Industrial designs and patents.

0,54%
Of sales invested in R&D+i.

272
People working on R&D+i.

22,4%
Sales of new products.

16.5

+10.700
Employees trained in the prevention of money laundering and terrorism financing.

16.6

COP 9.606 million
Social investment in the Colombian post-conflict stage.

1.1

COP 337,6 million
Average annual income of producer associations from sales to Grupo Nutresa.

1.6

COP 90.818 million
Social investment in the communities.

11.475
Volunteers.

37.220
Hours invested in volunteer work.

17.16

Grupo Nutresa works in a collaborative manner with both governmental and private entities, non-governmental organizations (NGOs), among other, with the aim of boosting its programs and the fulfillment of the SDGs.

13.1

-46,2%
Greenhouse gas emission reduction.*

98,5%
Use of cleaner energy.

12.2

-31,4%
Water consumption reduction.*

-22,7%
Energy consumption reduction.*

COP 25.511,3 million
Investment in environmental management actions in Colombia.

12.3

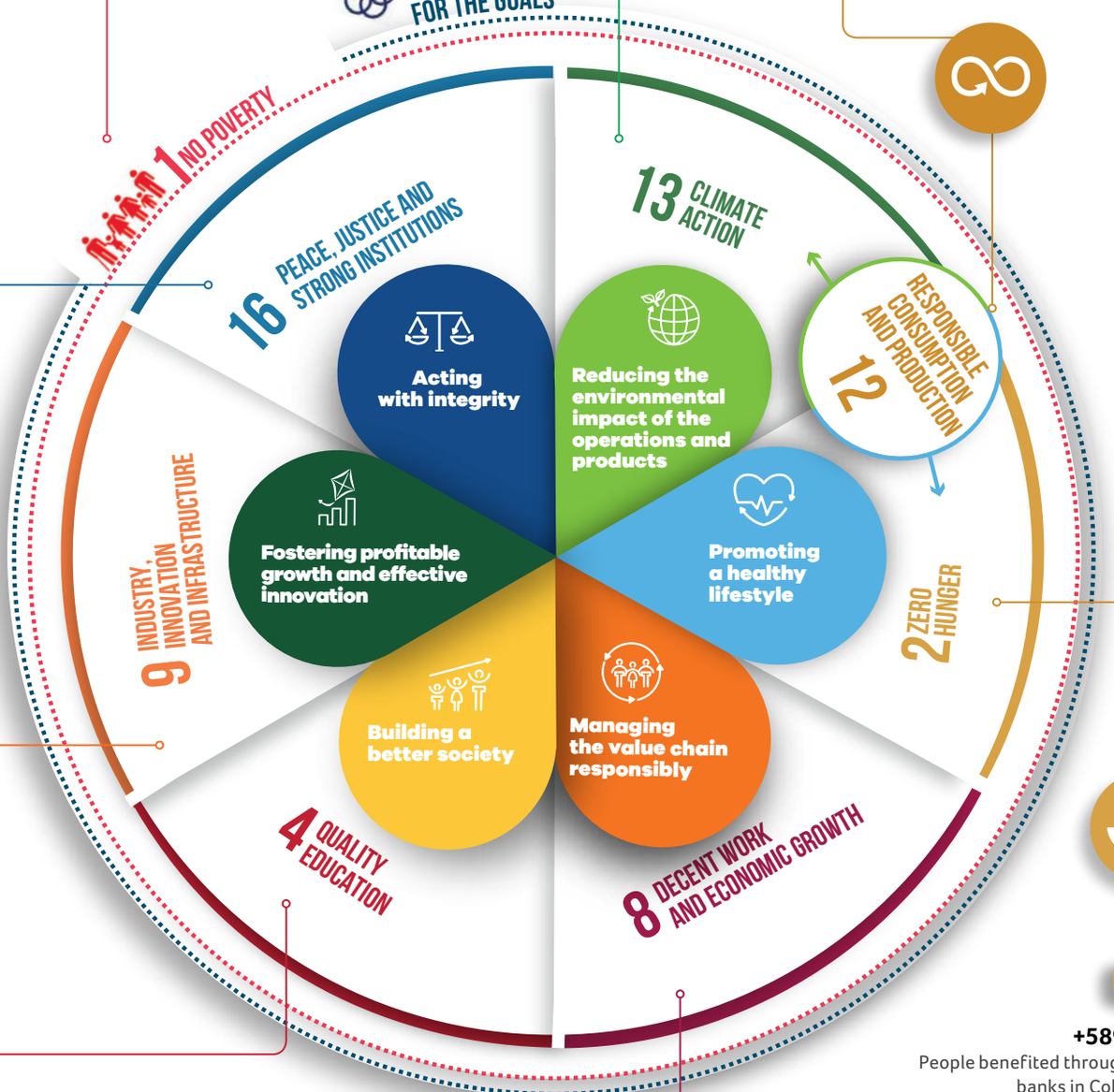
1.052 tons
Of products delivered to food banks in Colombia.

12.5

77,5%
Closed-cycle packaging materials used.

-2,1%
Reduction in the consumption of packaging materials.*

89,2%
Waste recovery.*



2.1

+589.000
People benefited through food banks in Colombia.

COP 861.067 million
Sales of products enriched with macro and micro-nutrients lacking in the strategic region.

*In relation to 2010. Per ton produced in Colombia.

Employee from the Pastas Business, Colombia.

SPECIAL REPORT
OF THE BUSINESS GROUP

By the end of 2019, the Nutresa Business Group was formed by 74 companies, grouped as follows for administrative purposes: eight food Businesses and their production platforms in Colombia and abroad; an international distribution network; four 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 2.75 billion, and the amount of COP 262.36 billion as dividends. Throughout 2019, to secure the financial obligations of its subordinates, Grupo Nutresa allocated endorsements and guarantees for COP 644.0 billion and COP 167.31 billion, accordingly. The subordinates, for their part, did not carry out operations for third parties by influence or in the interest of the parent company.

Moreover, in 2019, 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.

Grupo Nutresa ensures
an adequate and timely disclosure to its shareholders, the market and the general public.

LEGAL PROVISIONS

Grupo Nutresa y sus subordinadas dieron 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 2019, the Organization did not receive any notices of lawsuits and there were no judicial rulings that could significantly affect its financial condition. No fines or significant penalties were imposed on Grupo Nutresa's companies or their executive managers.

The 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 the 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 the Article 46 of Act 964 of 2005.

ASSESSMENT OF THE PERFORMANCE OF THE INFORMATION DISCLOSURE AND FINANCIAL INFORMATION CONTROL SYSTEMS

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

This system includes, among other elements, comprehensive risk management processes, accountability systems, control plans and programs, tools for budgets and costs, chart of accounts, standardized policies and procedures, integrated information systems and templates for documenting and recording operations, and indicators dashboards that for the continuous monitoring of the processes carried out by the Administration.

Additionally, the Internal Audit Department verifies the fulfillment of the Company's goals and objectives and the protection, utilization and conservation of its assets. The Tax Auditor, for its part, is responsible for verifying and certifying relevant aspects such as the compliance with legal, statutory and administrative standards, the reasonableness of the Company's financial statements and the disclosures contained therein.

The results of the activities performed by the Internal Audit Department and by the Tax Auditor are timely informed to the corresponding authorities, which implement the required improvement measures.

The aforementioned activities confirm that the performance of the Company's financial information disclosure and control systems is adequate and that, over the fiscal term, there were no significant deficiencies in the design and operation of these systems that could have kept the Company from adequately arranging, recording, processing and presenting the financial information, cases of fraud with an effect on the reasonableness of such information, or significant changes in the financial information assessment methodology.

MANAGEMENT REPORT

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

Today, our vision of the future is focused on generating progress and development for everyone. Human beings inspire us and drive us to promote sustainable development by internalizing the necessary capabilities to prevent environmental deterioration and to generate prosperity for the communities where Grupo Nutresa operates.

Carlos Ignacio Gallego Palacio
Grupo Nutresa CEO

Solar panels at the Chocolates Business's production plant in Rionegro, Colombia.

nutresa
Grupo
nutresa

Throughout its history, Grupo Nutresa has dreamed big and has achieved its purpose based on the trust of all the people surrounding the Organization.

Throughout its history, Grupo Nutresa has dreamed big and has achieved its purpose based on the trust of all the people surrounding the Organization.

Currently, amid the celebration of our first one hundredth anniversary, we are able to say that we are the result of what we have shared with millions of people, that is, the sum of our triumphs, learning experiences, the challenges we have overcome and a great deal of work well done.

Since the beginnings of the Company in 1920, a framework of action was established based on integrity, respect for people and collaborative development, values that still govern our actions and enclose our corporate management model, where sustainable management is the basis of a business that intends to transcend.

The progress of the communities and the protection of our planet are major priorities for Grupo Nutresa and they are directly related to the ability to manage the businesses while addressing the expectations and needs of our stakeholders. To achieve this, we strive in developing the proactive behavior and the analysis and interpretation of trends, emerging global challenges, new technologies and swifts in the preferences of customers, shoppers and consumers.

These capabilities are necessary to prosper in an increasingly aware, changing and competitive world. We are convinced that the sources of innovation and productivity that drive both value and competitive advantage emerge from the solutions to the economic, social and environmental challenges of our society.

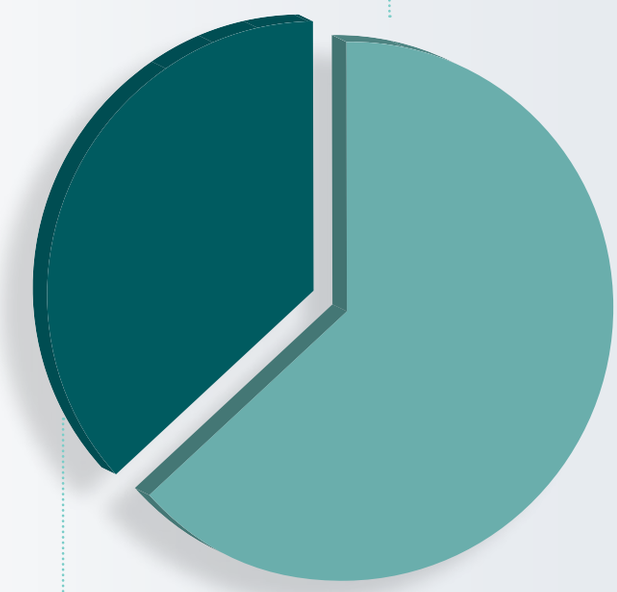
As a result of this conviction, for the first time in our history, we have been acknowledged as the most sustainable food company in the world, according to the Dow Jones Sustainability World Index 2019. We also maintain our position as the most outstanding company in the Dow Jones Sustainability Emerging Markets Index and in the MILA Pacific Alliance Index, which are acknowledgments to our search for social progress, economic development and the conservation of the natural capital for future generations.

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 (exhaustive option), abiding by international guidelines and based on our materiality matrix.

In numbers

Grupo Nutresa sales

62,3%
SALES IN COLOMBIA



37,7%
SALES ABROAD

10,5%
TOTAL SALES

COP
9,96 trillion

8,1%
SALES IN COLOMBIA

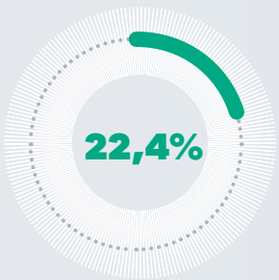
COP
6,20 trillion

3,0%
SALES ABROAD

USD
1.142 million

Sales of innovative products

REPRESENTED



OF TOTAL SALES

Consolidated market share

IN COLOMBIA

Social investment in the strategic region

COP
90.618 million

EBITDA

COP
1,35 trillion

Understanding our consumers, inspiring their lives, working on improving their well-being, being committed to their nourishment are aspects that give meaning to the message: We are the convergence of everyone.

For further information, we invite you to review the printed document and the supplementary information in full detail, which are available on our website www.gruponutresa.com.

OUR CORPORATE PILLARS

Grupo Nutresa relies on a portfolio of widely recognized and appreciated brands that contribute nutrition, well-being and enjoyment, which are also led by a deeply talented and committed team.

- **Our People:** Grupo Nutresa permanently works on consolidating an organizational culture centered on the recognition and respect for the being, inclusion, inspiring leadership, and the promotion of a balanced life.

Throughout 2019, the Organization continued developing constructive, challenging and inclusive work environments with leaders that contribute to the comprehensive development of people and inspire their coworkers to achieve the organizational purpose and the objectives of their work teams. That is how we have reached levels of excellence in terms of organizational climate and commitment, in addition to the consolidation of practices that promote a balanced life and people spending time with their families. As of 2019, ten Grupo Nutresa companies hold the Familiarly Responsible Company certification, and five hold the Healthy Organizations certification granted by the Colombian Heart Foundation.

We kept promoting training programs that strengthen the sense of collectivity and the inspiration to attain goals, which are key aspects within our organizational leadership model. Additionally, we made progress in the development of capabilities such as the receptiveness to transformation, the adaptability to change and the swiftness in our actions, and we worked on the consolidation of healthy and safe work environments.

We concluded the year by being the top company in terms of talent attraction and loyalty in the Colombian food sector according to the “Merco Talento” results, an acknowledgment that motivates us and reinforces our commitment to creating greater and better development opportunities for our employees.

Grupo Nutresa continued improving processes and using new technologies that allow us to consolidate our market entry capabilities in order to be present with the timeliness, affordability and ubiquity required by our customers, shoppers and consumers.

Brands with a superior purpose: Throughout 2019, Grupo Nutresa continued strengthening its brands to make them increasingly relevant and innovative. The Organization also accelerated the expansion of its portfolio in fast-growing categories such as coffee and healthy snacks, and adjusted the portfolio to make it more efficient, dynamic and competitive. We now have 24 mega-brands that hold the first and second places in the market where they operate. All these achievements have been attained based on a strategy centered on the deep understanding of customers, consumers and shoppers.

Market entry capabilities: Grupo Nutresa continued improving processes and using new technologies that allow us to consolidate our market entry capabilities in order to be present with the timeliness, affordability and ubiquity required by our customers, shoppers and consumers. Over the year, we reinforced the traditional channels and supermarkets by means of alliances and projects that drive shared growth. Likewise, we accelerated the positioning of our brands in new points of sale and enhanced the scope of fast-growing channels such as Novaventa, the restaurant network and the institutional channel.

As of the date of this communication, Grupo Nutresa has a distribution network that directly serves more than 1,4 million customers in the strategic region, reaches more than four million consumers in Colombia through Novaventa's network of individual entrepreneurs, and has 842 restaurants across the region.

GROWING VALUE GENERATION

The financial results for 2019 reflect the application of a new accounting standard for leases in the financial statements called "IFRS16 Leases," which eliminates the distinction between operating and financial leases, proposing a unique presentation model. The statement of financial position includes an account in the assets that represents the right of use for the lease term and an account with its corresponding liabilities. The profit and loss statement records the depreciation of the assets derived from the right of use of the period and financial expenses associated with the liabilities derived from the right of use.

In 2019, Grupo Nutresa exhibited an outstanding commercial dynamic, achieving consolidated sales for COP 9,96 trillion, which represents a 10,5% growth over the sales recorded the previous year. In Colombia, the revenue totaled COP 6,20 trillion, representing 62,3% of Grupo Nutresa's consolidated sales and growing 8,1% with regard to 2018. More than 80% of this growth is driven by greater volumes recorded for all of the Organization's business units.

International sales in Colombian pesos amounted to 3,76 trillion, that is 14,5% more than those of 2018, representing 37,7% of the total sales. Stated in dollars, these sales totaled 1.142 million, that is 3,0% higher than the previous year.

The gross profit for the period amounts to COP 4,4 trillion with a 0,8% decrease in the gross margin compared to the same period in 2018, which was caused by the increased costs of several commodities over the year.

Jamoneta
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Peso Neto 180 g x 48 uds
Zenú
Alimêntate con confianza!
Zenú

In 2019,

Grupo Nutresa exhibited an outstanding commercial dynamic, achieving consolidated sales for COP 9.96 trillion, which represents a 10.5% growth over the sales recorded the previous year.

The operating profit, which totaled COP 959.621 million, presented a 13,0% year-on-year increase. By excluding the effects of the application of the IFRS16 standard, this result stands at COP 927.045 million, showing a 9,2% increase.

Due to the greater revenue and an adequate cost and expense management, Grupo Nutresa reports a consolidated EBITDA of COP 1,35 trillion, with a sales margin of 13,5%. By excluding the effects of the IFRS16 standard, the EBITDA stands at COP 1,2 trillion, with a 6,2% growth and a margin on sales of 12,0%.

In the post-operative items, the Organization recorded a 22,2% increase in the financial expenses due to the inclusion of the right-of-use liabilities established by the IFRS16 standard. The expenses associated with Grupo Nutresa's debt interests declined as a result of lower financing rates.

The operating profit stands at COP 506.388 million, growing 0,2% in relation to the same period in 2018, and represents 5,1% of the consolidated sales. By excluding the IFRS16 effect, it amounts to COP 533.810 million, with a 5,6% growth and a net sales margin of 5,4%.

In the Statement of Financial Position, Grupo Nutresa reports assets for COP 15,6 trillion, with an increase of 15,7% when compared to 2018. This increase is mainly explained by the fact of right-of-use assets being recorded based on the IFRS16 standard, a greater generation of cash over the period, the capital gain from the acquisitions of Cameron's Coffee and Atlantic Food Service, and the appreciation of our investments in Grupo Sura and Grupo Argos.

The total liabilities present a 34,1% increase, amounting to COP 7,0 trillion, mainly due to the fact of the right-of-use liabilities derived from the transition to the IFRS16 standard, and due to the debt associated with the aforementioned acquisitions. Excluding the IFRS16 effect, the total liabilities would amount to COP 5.8 trillion, which represents a growth of 11.8%.

The equity closed at COP 8,7 trillion, which represents an increase of 4,2% compared to the equity recorded in 2018.

In terms of cash flow, the Organization reports positive results with a free cash flow of COP 600.403 million, a free cash flow on sales indicator that stood at 6,0% and a 1,2-fold free cash flow on net profit.

Throughout 2019, we continued making progress in the path to fulfilling the objectives we have set for ourselves as an Organization in our MEGA 2020 (Great and Ambitious Goal for 2020). We are getting the benefits of the continuous investment in our brands over the years, with outstanding growth rates in 10 of the 14 zones of our strategic region, which represent 92% of the total sales.

The Company fosters new technologies such as exoskeletons, which have the purpose of preventing musculoskeletal risks among our employees.

Eating habits and well-being

Our commitment to nourishment drives us to be part of people's day-to-day lives and to ensure the best price-value ratio.

The acceleration of our expansion into highly dynamic categories and channels enables us to harness growth rates higher than the market average, and our permanent search for operational excellence allows us to operate with increased agility, efficiency and competitiveness. Over the year, significant progress was made in multiple initiatives from our productivity agenda. The following are some examples:

- Our commitment to the comprehensive management of the expenditure was expedited, thus allowing us to reduce Grupo Nutresa's selling expenses on revenue comparatively by 70 basic points.[1].
- The utilization and efficiency of our production plants were increased through the cross-fertilization of products, thus boosting the growth of existing assets.
- Significant progress was made in our brand rationalization model throughout the strategic region with the aim of having a more potent and specialized brand portfolio.
- Our CapEx discipline culture was enhanced, achieving a CapEx/revenue indicator of 2,8%, where more than 30% of such investments are focused on differentiated market entry capabilities that offer clear competitive advantages for the Organization.

All these actions were performed based on a responsible resource management framework, prioritizing investments that bring about competitive advantages for Grupo Nutresa and translate into better returns for our shareholders.

GRUPO NUTRESA S.A. INDIVIDUAL RESULTS

In compliance with the Colombian regulations, we report the individual results of Grupo Nutresa S.A.: we recorded a net operating income of COP 515.139 million, from which COP 453.646 million correspond to the profit from the equity method of our investments in food companies and COP 61.493 million correspond to dividends from the investment portfolio. Furthermore, the net profit totaled COP 513.898 million.

INNOVATION AND OTHER RELEVANT PROJECTS

The strengthening of our innovation model "Imagix" was noteworthy throughout 2019. This model focuses on the management of four priority aspects: processes and resources, organizational culture, portfolio evolution and ecosystem management.

Over the year, Grupo Nutresa increased the rhythm of the innovations to exert a more agile response to the consumers' needs, focusing its efforts on new products and categories, as well as on the strengthening of processes and business models that allow the Organization to succeed in the market. Additionally, we continued incorporating new capabilities to foster a culture with a greater adaptability and involvement, as we are convinced that human transformation is essential for having the flexibility and speed demanded by the new conditions.

[1] Con NIIF 16 la reducción es de 100 puntos básicos.

With our Bénet brand, Grupo Nutresa strengthens the nutrition and wellness segment by means of products such as soft capsules, gums and nutritional bars.

- **Innovation Initiatives:** In the context of product innovation, it is worth highlighting the launch of the product portfolio under the new KIBO brand, which targets global consumers and is aligned with the trends of aware lifestyles and sustainable diets based on vegetable-origin ingredients. The Bénet brand continues venturing into new categories such as vitamins for kids, powder protein and nutritional bars, thus expanding its nutritious product proposal centered on people's wellness.

Grupo Nutresa's innovation-driven sales in 2019 represented 22,4% of its total sales, which is a result that exceeds, for the fourth consecutive year, the goal set at 15% for 2020.

In terms of market entry capabilities, we maintained our growth related to business models focused on the direct contact with consumers, and on the customization of the portfolio. In 2019, 16% of our sales were made through differentiated channels that reach consumers directly and represented 23% of Grupo Nutresa's consolidated growth over the period.

- **Relevant Projects:** Throughout 2019, the Organization strengthened its share in the coffee category by acquiring *Cameron's Coffee*, a company based in the United States, which is the country with the highest level of coffee consumption in the world. Additionally, the Company consolidated its leadership in the food service channel in Colombia with the acquisition of a majority interest in the company *Atlantic Food Service.*

Through Nutresa Ventures, a fund created for investing in entrepreneurship projects, we made two investments in companies focused on innovation and new technologies. The first investment was made in a company that specializes in developing biotechnology-based products with a high protein content; and the second investment was focused on the research and understanding of the human microbiome as a tool of knowledge for the development of customized products.

With these investments, we intend to incorporate and internalize cutting-edge knowledge for the development of new markets, products and categories with new capabilities in aspects related to health and nutrition, market entry capacity, productivity and sustainability.

- **Digital Strategy:** The transformation of the human being and the adequate adoption and application of new technologies are key elements in the implementation of a constantly evolving digital strategy.

Grupo Nutresa, being aware of its responsibility, further develops its nutritional portfolio strategies and its contribution to the adoption of healthy lifestyles.

Our digital strategy was designed to strengthen the development of new organizational capabilities, implementing and internalizing new technologies through a process of experimentation, application and adaptation.

All these actions are based on the fostering of an adaptive thought culture with methodologies, tools and new structures with the aim of facilitating an agile adaptation.

NUTRITION, HEALTH AND WELL-BEING

All the global economy sectors undergo major transformations and their products and, consequently, their business models evolve to meet the new needs of their customers, shoppers and consumers. For the food sector, the dynamics of change revolve around health, well-being and sustainability, which are aspects where the new knowledge poses considerable transformation challenges.

Grupo Nutresa, being aware of its responsibility as a transformational leader, further develops its nutritional portfolio strategies and its contribution to the adoption of healthy lifestyles.

Back in 2012, the Organization set itself to double its portfolio of products that meet the Nutresa nutritional profile by 2020. This goal was already fulfilled by 2013, so the Company decided to multiply said portfolio by 2,5. We are glad to report that the goal has been exceeded again one year in advance, as Grupo Nutresa currently has 3.216 product references that meet the Nutresa nutritional profile. Additionally, our commitment to the constant improvement of our products enables us to offer a meat product portfolio with lesser levels of nitrites and a product line free of added nitrites.

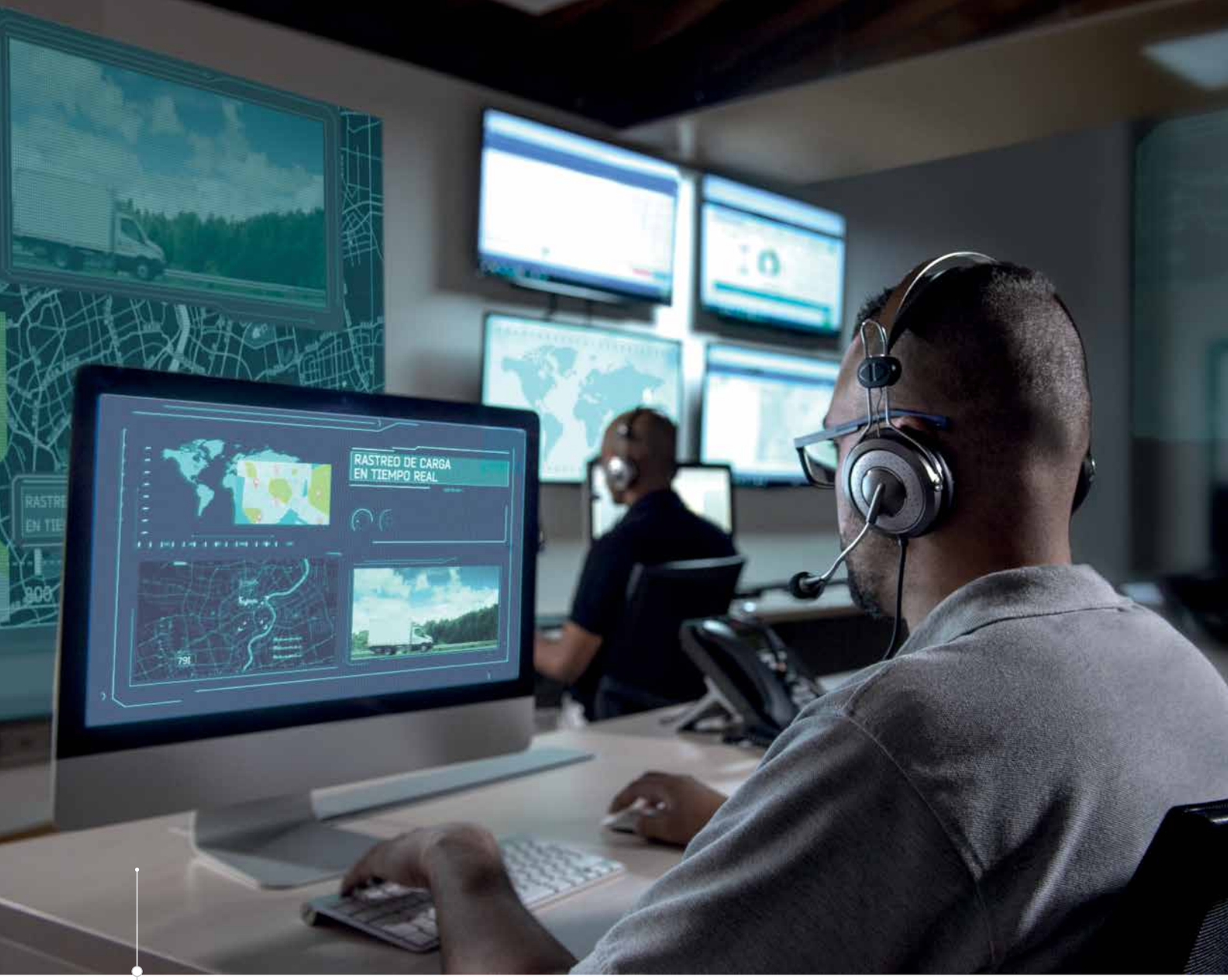
In the context of product innovations, we continue expanding our vegetable-based portfolio, nutritional supplements and products that contribute to people's well-being and health, such as: *Quinua Doria, Veggie Bites, Veggie Burgers, Kibo, Tosh Artesanal*, and the nutritional food products and nutritional supplements of the Bénet product line.

NATURAL CAPITAL

The sustainability of the ecosystems is a priority for Grupo Nutresa and all its stakeholders. The effects of climate change, the pressure related to water resources, as well as the generation of waste throughout the value chain are essential issues that must be addressed to ensure the sustainability of our production processes and to foster the reduction of their impact on our planet.

Therefore, in 2019, the Organization continued steering its investment strategies and the transformation of its processes and business models toward the fulfillment of the commitments to the reduction in the consumption of water resources (-31,4%), energy resources (-22,7%), greenhouse gas emissions (-46,2%) and waste generation in all of our operations (-23,3%), all these reductions compared to the consumption in 2010.

Grupo Nutresa fosters sustainable development in its sourcing chain.



Opperar Colombia's control room, where the Company's vehicle fleet are monitored to support and ensure the delivery of our products according to the estimated time frame.

In addition to these efforts for reducing the environmental impact, we have continued working on the identification of the risks in the sourcing of our main commodities in order to accelerate the most sustainable practices across the entire processed food chain. The Company enhanced its knowledge on palm oil sustainability according to the *RSPO practices* (Round table on sustainible palm oil), made progress in the diagnosis of sustainable livestock farming in Colombia, and prepared jointly with the WWF a handbook on the best practices with important contributions to the entire meat chain in Colombia.

In the path to a circular economy, we participated in important discussions of public policies related to the producer extended responsibility, and we accomplished the consolidation of a pilot plan for recovering, recycling and reusing packaging materials. This plan will be executed through an alliance with the National Business Association of Colombia (abbreviated *ANDI* in Spanish) with the aim of creating a collective method for closing the cycle of packaging materials with multiple agents from the value chain. Additionally, the Organization also participated in similar efforts led by the Pacific Alliance Business Council (abbreviated *CEAP* in Spanish).

Moreover, with the active involvement our employees and their families, we made progress in strengthening a culture of recovery and separation of flexible packaging materials. For this purpose, we implemented the circular economy initiative that we called "Ver de Vuelta" (Take them back), which was designed and operated jointly with specifically suitable allies in order to close the cycle of the post-consumption packaging waste by collecting and transforming flexible materials into school furniture elements.

Grupo Nutresa invested COP 8,02 billion in training programs, focusing on the development of sustainability-related, innovation-driven and digital capabilities.

SOCIAL CAPITAL

Contributing to a prosper society by means of the development of capabilities focused on everyone's progress and sustainability is one of Grupo Nutresa's most important priorities.

In the context of human capital, we develop increasingly aware and upright leaders who have higher purposes for their potential while contributing to the consolidation of long-lasting businesses.

In 2019, the Organization invested COP 8.016 million in training programs, focusing on the development of digital, analytical, sustainability-related and innovation-driven capabilities. We incorporated *adaptability* as an enabling skill that will allow us to have flexible and motivated talent that is also open-minded to the permanent evolution of our setting.

In addition, the Company enhanced gender equality practices, which have enabled us to evolve toward becoming a diverse and inclusive.

In the dimension of food security, Grupo Nutresa has contributed to the food self-supply of urban and rural communities, and to the reduction in the loss and waste of food in our value chain. With regard to our customers and suppliers, we have supported their development and management in terms of local and global competitiveness in such a way our support contributes to their progress and to producing a positive impact on their quality of life and environment.

On these fronts, we have provided support with our own programs to more than 501 leaders, 887 contract auditors, around 1.059 suppliers and approximately 1.099 customers. The nourishment systems of low-income communities exchanged, consumed and sold more than 15.476 food servings, and the 19 food banks in Colombia prevented the destruction of 1.052 tons of food products and gained strength thanks to the support of Grupo Nutresa's volunteer network. Through the implementation of inclusive business strategies, more than 2.110 small customers and suppliers developed social and business capabilities, improved their revenue and enhanced their community dynamics.

In addition, through Fundación Nutresa, the Organization contributes to a high-quality education that promotes healthy lifestyles and helps in addressing the global challenges.

- We facilitated the development of pedagogical, leadership and management capabilities among 1.134 academic directors and teachers from 378 public schools.
- Grupo Nutresa carried out activities focused on promoting healthy lifestyles, having a positive impact on 1.726 students in Colombia and 2.295 students in Mexico and Chile.

All of these internal and external social management actions were possible thanks to an investment of COP 197.043 million and the dedication of 11.475 volunteers. We are deeply committed to contributing to the construction of a social framework based on trustworthiness and respect and focused on fostering a productive dialog and social development.

Contributing to a prosper society by means of the development of capabilities focused on everyone's progress and sustainability is one of Grupo Nutresa's priorities.

OUTLOOK

The year 2020 marks the conclusion of the MEGA we set for ourselves as an organization in 2013, consisting of challenging objectives with the aim of being a company that consistently generates value for its stakeholders.

We will approach 2020 with a solid basis of installed capacities, and with hope, motivation and determination to fulfill the dreams we have devised for ourselves.

We will remain focused on offering the best products and experiences to our consumers with nutritious and convenient alternatives aligned with their needs.

We will advance toward the digitalization of processes and business models that enable us to be more competitive every day, and we will enhance our Organization's culture with an increasingly humane, inclusive, transcending and inspiring leadership.

Our commitment with the goals still is our navigation chart, motivated by the purpose of producing a positive impact on society while managing the growth of our business and generating value for our stakeholders.

Mauricio Reina Echeverri
Chairman of the Board of Directors

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

Carlos Ignacio Gallego Palacio
CEO of Grupo Nutresa

ACKNOWLEDGMENTS

Our biggest aspiration as an organization is to promote sustainable development throughout the value chain, which is something that can only be achieved with support from a deeply aware and motivated team.

We would like to sincerely and profoundly thank our employees, who materialize their values and commitment in each one of their actions, thus building the collective talent force for which we are broadly recognized today.

Likewise, we would like to thank our suppliers, customers, shoppers and consumers, with whom we build relations based on collaboration and the generation of shared value on a daily basis; our appreciation to our shareholders, who place their trust in us and actively contribute to our vision of a development steered toward a better society.

Finally, we would like to acknowledge and thank those who preceded us as managers and guiders of Grupo Nutresa's corporate strategy and who, with the support of their teams, have contributed to the construction of our first one hundred years.

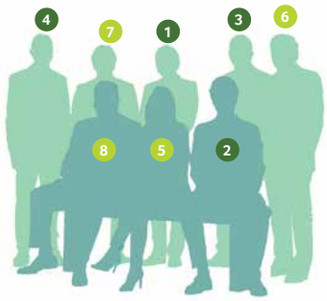
Today, our vision is focused on generating progress and development for everyone, and for such purpose we work on the innovations that will make nourishment and nutrition the path to build a better future for the new generations.

MATIZ
MAESTRÍA EN CAFÉ

CORPORATE MODEL

BOARD OF **DIRECTORS**

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



1

Mauricio Reina Echeverri

2007*

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

Oleoducto Central S. A. –OCENSA –.

2

Jaime Alberto Palacio Botero

2005*

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

Colombian Association of Plastic Industries, Acoplásticos.

3

Antonio Mario Celia Martínez-Aparicio

2005*

Visiting lecturer (currently active) at the 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 Education Foundation (ExE), La Cueva Foundation, Foundation for Higher Education and Development, "Ideas para la Paz" (Ideas for Peace) Foundation, Barranquilla Modern Art Museum, Honorary Member of the Private Council for Competitiveness.

4

Cipriano López González

2016*

Vice-President of Innovation and Sustainability, Grupo Bancolombia.

PRIOR EXPERIENCE

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

ACADEMIC BACKGROUND

Degree in Mechanical Engineering, Universidad Pontificia Bolivariana.
Master's degree in Business Administration, Bordeaux Business School.
Top 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., Eafit's Board of Governors, Bancolombia Foundation Council.

5

María Clara Aristizábal Restrepo

2013*

Head of the Real Estate Business, Grupo Argos S. A.

PRIOR EXPERIENCE

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

ACADEMIC BACKGROUND

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

OTHER BOARDS

Eafit's Board of Governors, Fondo de Capital Privado Pactia S. A. S.

6

David Emilio Bojanini García

2005*

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

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

ADVISORY BOARDS

Foundation for Antioquia's Development - Proantioquia, Entrepreneurs for the Education Foundation (ExE), International Corporation of Colombia, Private Council for Competitiveness, Fedesarrollo, Suramericana Foundation, Fundación Nutresa.

7

Gonzalo Alberto Pérez Rojas

2007*

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.

8

Jorge Mario Velásquez Jaramillo

2019*

CEO, Grupo Argos S. A.

PRIOR EXPERIENCE

CEO, Cementos Argos S. A.
Vice-President for the Caribbean Region, Argos.
Vice-President of Logistics, Argos.
CEO, Cementos Paz del Río.
General Manager, Cementos del Nare.

ACADEMIC BACKGROUND

Degree in Civil Engineering, Escuela de Ingeniería de Antioquia.
Specialized studies focused on the cement industry, England.
Participated in CEO's Management Program offered by the Kellogg School of Management and in Stanford University's Supply Chain Strategies program.
High Government Program, Universidad de los Andes School of Government.

OTHER BOARDS

Grupo Sura S.A., Cementos Argos S.A., Odinsa S.A., Celsia S.A. E.S.P., EIA University's Board of Governors, ANDI, Proantioquia.

Average Board Member tenure: 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
8. Jorge Mario Velásquez Jaramillo

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 2 4 6
Strategic Planning and Sustainability Committee.

● **Independent Members** ● **Non-Independent Members**

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

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

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

Carlos Ignacio Gallego Palacio
Chief Executive Officer

José Domingo Penagos Vásquez
Vice-President of Corporate Finance

Jairo González Gómez
Vice-President
Secretary General
General Counsel

Sol Beatriz Arango Mesa
President, Servicios Nutresa; Vice-President of Sustainable Development; General Director, Fundación Nutresa

Alberto Hoyos Lopera
President, Biscuits Business
International Vice-President

Diego Medina Leal
President, Cold Cuts Business
Vice-President of Logistics

Juan Fernando Castañeda Prada
President, Chocolates Business
Vice-President of Marketing and Sales - Commercial Network

Miguel Moreno Múnera
President, Coffee Business

Justo García Gamboa
President, Tresmontes Lucchetti
Vice-President of the Chile and Mexico Strategic Region

Juan Chusán Andrade
President, Retail Food Business

Mario Alberto Niño Torres
President, Ice Cream Business
Vice-President of Innovation and Nutrition

Fabián Andrés Restrepo Zambrano
President, Pasta Business

CORPORATE TEAM

Carlos Ignacio Gallego Palacio
Chief Executive Officer

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

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

José Domingo Penagos Vásquez
Vice-President of Corporate Finance

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 Secretary General 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.

CROSS-ORGANIZATIONAL UNITS TEAM

Sol Beatriz Arango Mesa
President, Servicios Nutresa; Vice-President of Sustainable Development; General Director, Fundación Nutresa

Prior Experience
- President, Chocolates Business.
- Vice-President of Grupo Nutresa's South Strategic Region.
- Vice-President of Corporate Planning, Grupo Nacional de Chocolates S. A.
- Vice-President of 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

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. S.

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

Diego Medina Leal
President, Cold Cuts Business Vice-President of Logistics

Prior Experience
- Vice-President of 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.

Juan Fernando Castañeda Prada
President, Chocolates Business. Vice-President of Marketing and Sales - Commercial Network.

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

Academic Background
- Degree in Production Engineering, Universidad Eafit.

Miguel Moreno Múnera
President, Coffee Business

Prior Experience
- Chief Executive Officer – Fehr Foods.
- Chief Business Development Director, Fehr Foods.
- Chief Financial Officer, Compañía de Galletas Noel S. A. S.
- Chief Corporate Finance Director, Grupo Nutresa S. A.

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

Justo García Gamboa
President, Tresmontes Lucchetti Vice-President of the Chile and Mexico Strategic Region

Prior Experience
- Chief Executive Officer, Tresmontes Lucchetti S. A.
- Commercial Department Leader, Tresmontes Lucchetti S. A.

Academic Background
- Degree in Commercial Engineering, Universidad Adolfo Ibáñez.
- Degree in Administration, Universidad Federico Santa María.

Juan Chusán Andrade
President, Retail Food Business

Prior Experience
- General International Business Manager, 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 of Innovation and Nutrition

Prior Experience
- Chief Executive Officer, Meals de Colombia S. A. S.
- Chief Financial Officer, Meals de Colombia S. A. S.
- Marketing Manager, Meals de Colombia S. A. S.

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 S. A. S.
- Chief Executive Officer, Pastas Comarrico S. A. S.
- Customer Development Coordinator, Compañía Nacional de Chocolates S. A. S.

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.

STRATEGIC GOAL FOR OUR **FIRST CENTURY**

Our centenary strategy is aimed at **doubling by 2020 the sales achieved in 2013,** with a sustained profitability ranging between 12% and 14% of the EBITDA margin.

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

To achieve this goal, we offer our consumers **food products and experiences from highly recognized and beloved 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.**

Grupo nutresa
100 YEARS

MEGA 2020

Duplicate our sales 2013

Mission

The mission of our Company is the increasing generation of value, achieving a greater return on investments than the cost of the capital used.

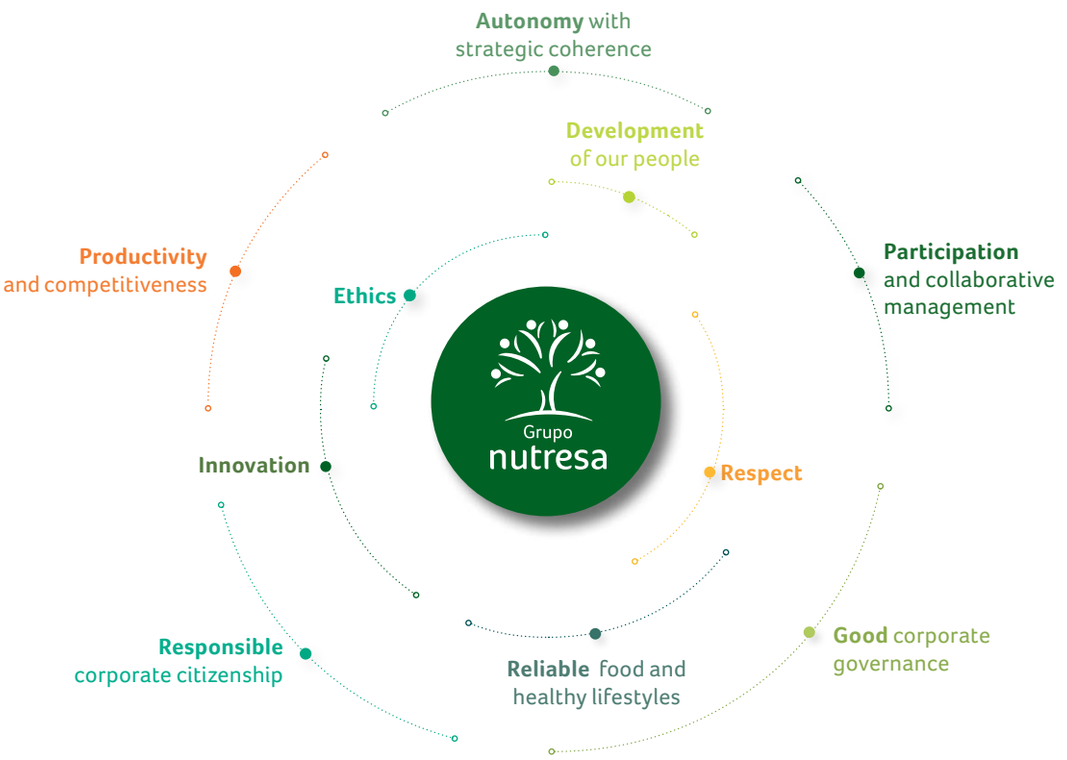
In our food businesses, we always strive to **improve the quality of life of the consumers and the progress of our people.**

We look for **profitable growth with leading brands, a superior service, and excellent distribution networks.**

We manage our activities based on our commitment to sustainable development, with the best human talent, outstanding innovation and an exemplary corporate behavior.

Corporate philosophy and performance

[GRI 102-16]



Differentiators of our business model

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 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.

Organizational climate at a level of excellence:

83,0%

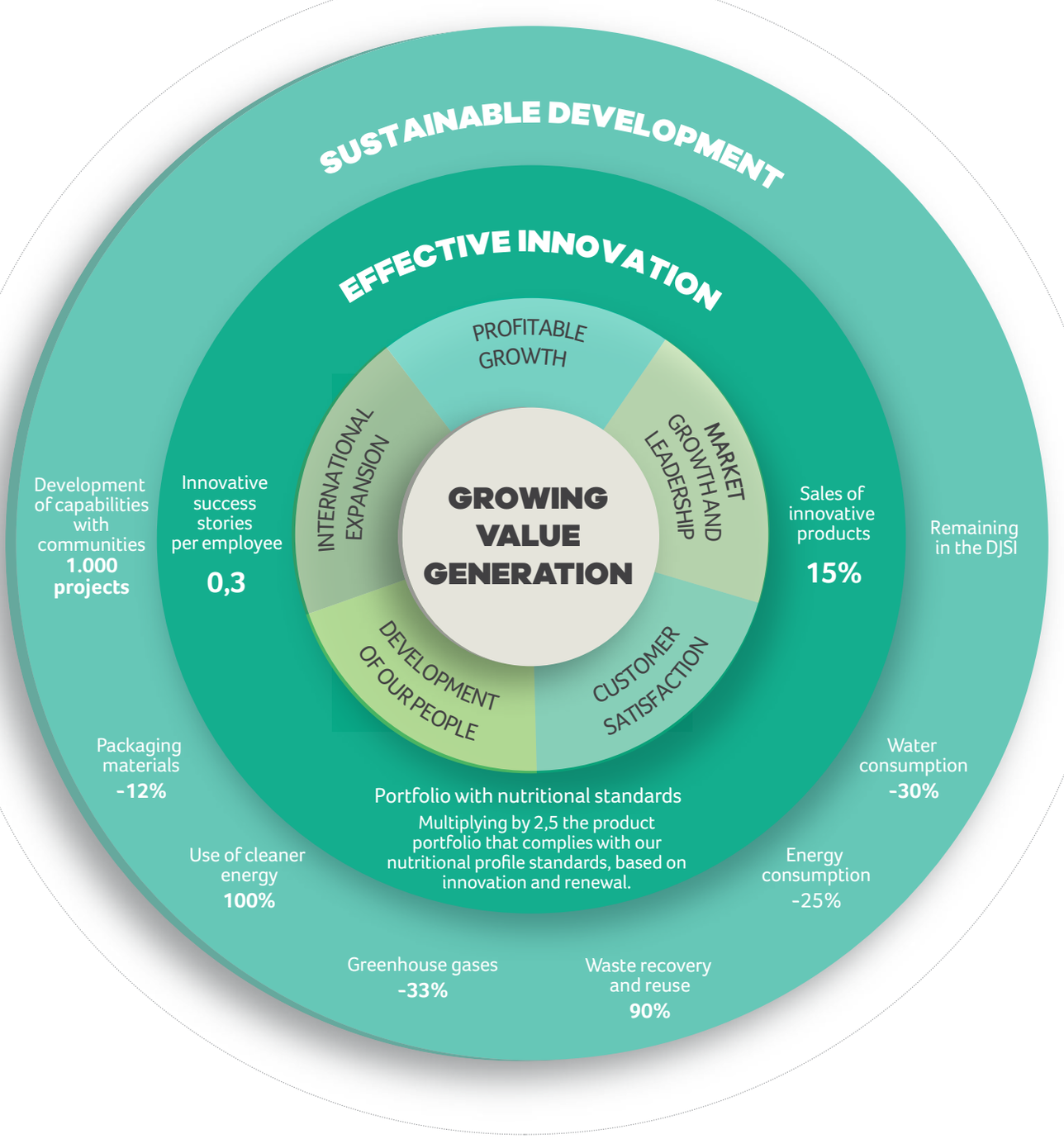
OUR DISTRIBUTION NETWORKS

Our broad distribution network and market entry capabilities, with a product offer that is organized by channels and segments and with specialized service teams, allow us to have an excellent product availability in terms of frequency, as well as a close relationship with our customers.

1.425.141

points of sale.

STRATEGIC GOALS FOR **2020**



ECONOMIC DIMENSION

Doubling the 2013 sales by 2020 (COP trillion)

2020: 11,8
2019: 9,96

Sales of innovative products:

2020: 15%
2019: 22,4%

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

2020: 3.140 SKUs
2019: 3.216 SKUs

International sales (USD million):

2020: 2.000
2019: 1.142

Innovative success stories per employee:

2020: 0,3
2019: 0,21

Customer satisfaction level:

2020: Maintaining the level of excellence
2019: 87,7% in Colombia
91,9 in the strategic region
*This measurement is performed every two years.

EBITDA margin

2020: between 12% and 14%
2019: 13,5%

ENVIRONMENTAL DIMENSION

Water consumption (m3/t.p.):

2020: -30%
2019: -31,4%

Sludge-less waste generation:

2020: -20%
2019: -23,3%

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

2020: -12%
2019: -2,1%

Sludge-less waste recovery and reuse:

2020: 90%
2019: 89,2%

Use of cleaner energy:

2020: 100%
2019: 98,5%

Energy consumption (kWh/t.p.):

2020: -25%
2019: -22,7%

Greenhouse gases (CO2eq./t.p.):

2020: -33%
2019: -46,2%

SOCIAL DIMENSION

Accident frequency rate:

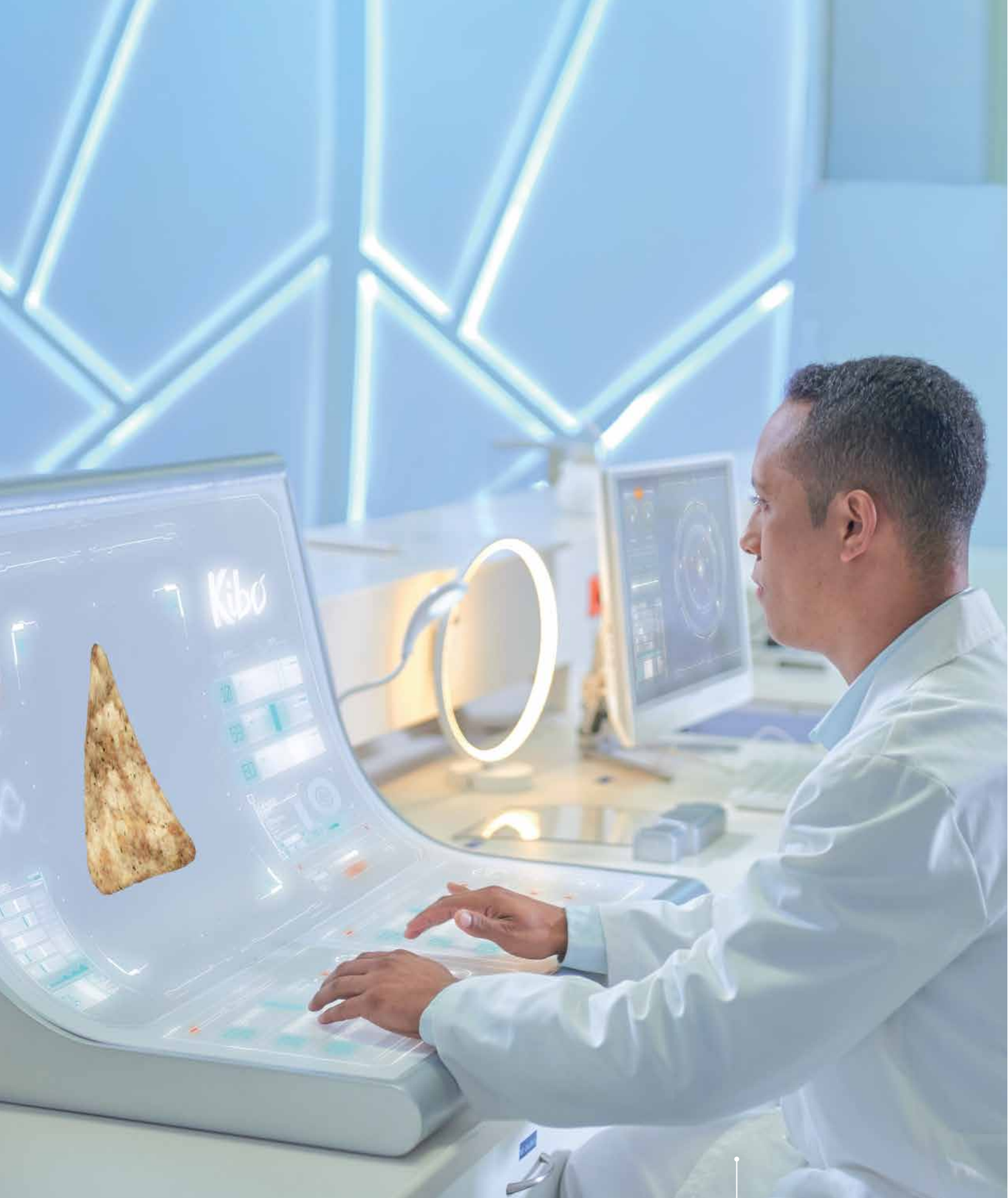
2020: 1,40
2019: 1,66

Organizational climate:

2020: 83,3%
2019: 83,0%

Capability-development projects in communities:

2020: 1.000
2019: 945



Kibo is a nutrition proposal devised by the Biscuits Business and it offers food products developed based on highly-nutritious sources of vegetable origin such as soybeans, chickpeas and green peas.

CONNECTING GRUPO NUTRESA'S STRATEGY WITH THE **DIGITAL TRANSFORMATION.**

DIGITAL TRANSFORMATION

Exploration of new technologies

Monitoring and exploration of technologies from the fourth industrial revolution in early maturity stages.

Projects of capabilities under development

Exploration and adoption of technologies that are at middle or high maturity levels jointly with research centers, entrepreneurs and other actors from the Company's ecosystem.

Market entry evolution

Development of digital capabilities that transform the interaction with and the experience of customers and consumers and enable the creation of new reaching-out methods and business models regarding e-commerce, channels, market and other value added services.

Talent and culture capabilities

Development of capabilities and evolution of the work methods in an adaptive environment with the aim of enhancing the Organization's agility and flexibility.

COMPREHENSIVE RISK MANAGEMENT **AND MAIN BUSINESS RISKS**

Risk assessment

In 2019, Grupo Nutresa made progress in the consolidation of its risk, trend and opportunity management model across all its Businesses, thus facilitating its integration with the corporate strategy.

In addition and thanks to our level of internalization of our risk management system at all organizational levels, the Company carried out assessment processes that included the analysis of strategic, operational, financial, climate-related and natural risks. These processes were supplemented with context-based exercises in order to understand the influence of trends on both current and emerging risks, risk assessments in the projects and workshops carried out in the eight business units, commercial networks, cross-organizational companies, international operations and in all the operation centers 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.

Risk, crisis and business continuity management workshops:

120

Employees who received training:

+2.000

Risk assessments at the strategic, tactical and operational levels:

+25.500

Main risks	Mitigating actions
Volatility in commodity prices and exchange rates.	• Process management by a specialized committee, with permanent auditing by internal and external bodies. • Coverage policies with definitions based on risk levels, aligned with the dynamics of the market. • Highly trained team dedicated to monitoring and negotiating commodities. • Exploration of hedging automation processes for having real-time information, keeping the context of possible scenarios updated and facilitating the decision-making process. • Permanent search for new opportunities and models for 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.
Negative impact of a highly competitive environment on the Businesses.	• Development and enhancement of organizational capabilities focused on the market needs. • Strengthening the staff's talents: 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: consumers, shoppers and customers. • Leading brands that are highly recognized and appreciated. • Effective 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.
Regulatory environment with regard to nutrition and health, which has a negative impact on the business.	• Adoption of the nutrition policy defined by Grupo Nutresa. • Continuous monitoring of the Company's environment with the aim of adopting a proactive stance regarding possible swifts in regulations and ensuring regulatory compliance. • Understanding of the needs of the communities and their health and nutrition issues with the aim of contributing to the solution alternatives. • Involvement in the discussion about 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

STRATEGIC

Associated with the Organization's strategic formulation and its relationship with the business environment.

1. **Associated** with the Organization's strategic formulation and its relationship with the business environment.
2. **Inadequate** formulation, implementation or understanding of the strategy.
3. **Lack** of availability of human talent with the required skills, committed and connected with the Organization's purpose.
4. **Not knowing** or not capitalizing in a timely manner on the opportunities identified based on the understanding of the needs and expectations of consumers, shoppers and customers.
5. **Decline** in the relevance or effectiveness of the Organization's communication strategies with regard to changes in the methods utilized to engage consumers and all other target audiences.
6. **Insufficient** access systems and channels for creating value for customers, shoppers and consumers.
7. **Not having** operating models that support and boost the development of the strategy.
8. **Lack** of internalization of the sustainable development as a core capability of the Organization and its alignment with the strategy.
9. **Regulatory** environment with a negative impact on the businesses.
10. **Systematic** loss of trust in the food industry.

Detriment to businesses due to a highly competitive environment.

OPERATIONAL

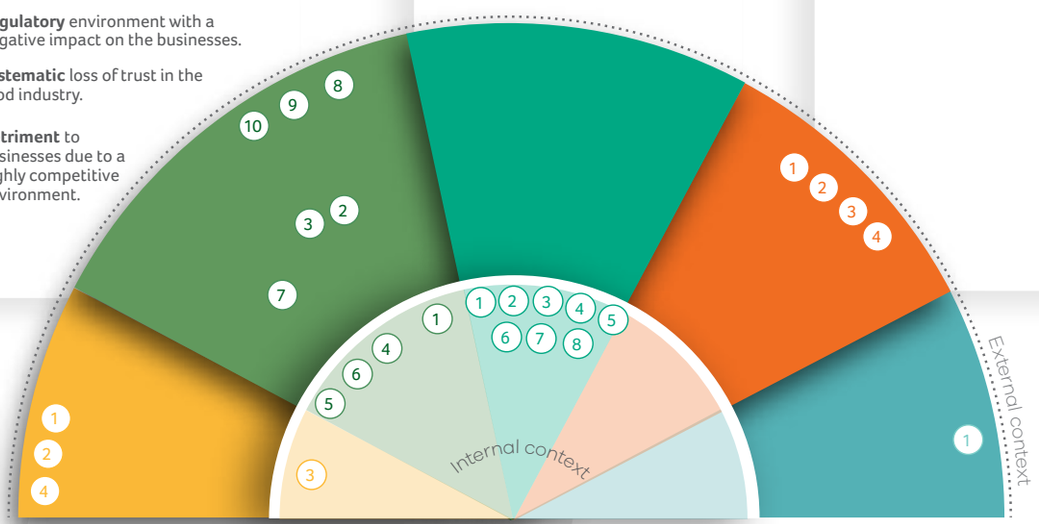
Related to failures in internal processes or management or technological systems, or by people.

1. **Negative** impact on the safety of our employees at the workplace
2. **Negative** impact on the environment.
3. **Interruption** to the operations, including technologies related to both information and communication.
4. **Internal** or external violations of Human Rights.
5. **Impact** on third parties caused by the operations or the products.
6. **Negative** impact on information because of threats to cybersecurity
7. **Ethical** offenses or inappropriate behavior of employees or third parties.
8. **Regulatory** noncompliance.

EMERGING

New risks currently developing or changing.

1. **Inefficacy** in the management strategies and in the mobilization of new generations as workforce.
2. **Uncertainty** caused by the implementation of new technologies
3. **Changes** in the preferences of consumers and buyers.
4. **Inability** to adapt to and mitigate the impact of climate change.



FINANCIAL

1. **Volatility** of the prices of commodities and exchange rates.
2. **Counterparty**-related risks.
3. **Indebtedness** and liquidity risks.
4. **Systemic risk** or risk of contagion.

Associated with the fluctuation of financial variables such as prices, exchange rates and interest rates, and factors such as the liquidity and position of counterparties.

ASSOCIATED WITH CLIMATE AND NATURE

1. **Alterations** caused by nature and climatic phenomena.

Those that are caused by climate, hydrological, geophysical, biological and epidemiological conditions.

BUSINESS MODEL

[GRI 302-1] [GRI 303-1] [GRI 305-1] [GRI 305-2]

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)

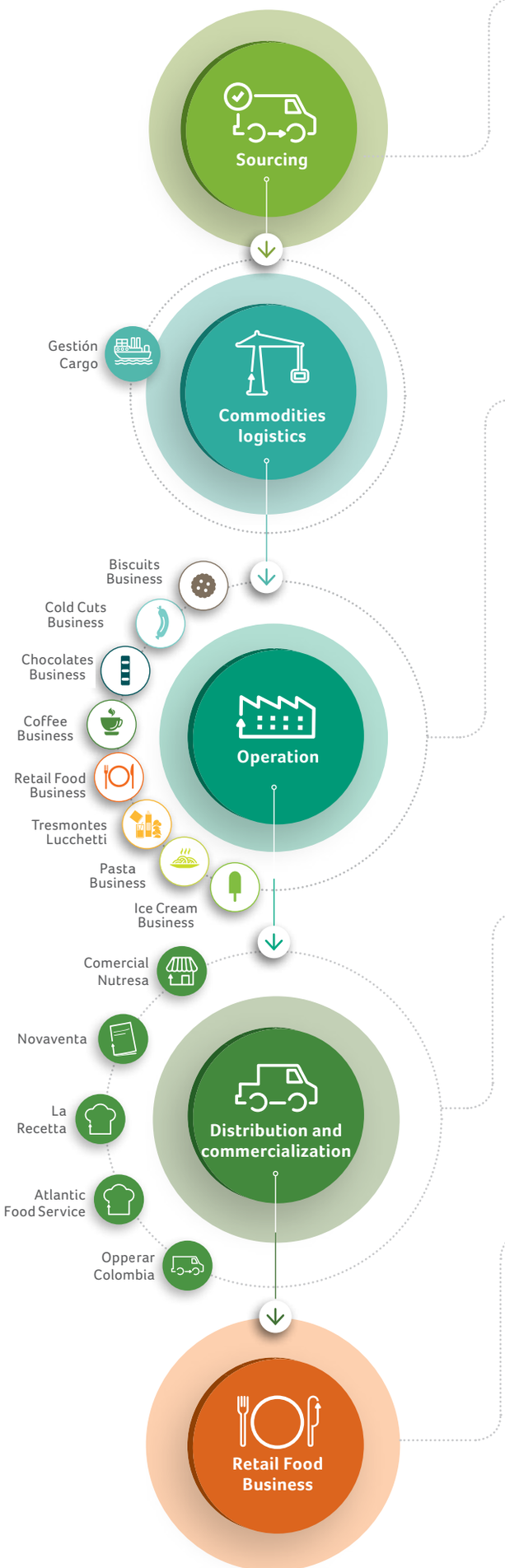
Natural capital

Energy
Water
Commodities

Social capital

Communities
Customers
Consumers
Suppliers

VALUE CHAIN



61
Supplier development projects

196
Farms and plantations

COP 33,56 billion
Social investment in suppliers

47
Production plants

45.803
Employees

18
Brands with sales over USD 50 million

29
ISO 14001 -certified operation centers

1.024.009
Hours of training

11.418
Performance assessments

9.235
Sales people

124
Distribution centers

COP 35,83 billion
Social investment in customers

81,1%
Local purchases

33
Coffee shops*

342
Restaurants

13
Evok experience shops

500
Ice cream shops

* Starbucks coffee shops in Colombia, a business in which Grupo Nutresa holds a 30% share.

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

STRATEGIC SUSTAINABILITY PRIORITIES	RESULTS	OUTPUT

Promoting a healthy lifestyle

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. Additionally, Grupo Nutresa promotes initiatives focused on the mitigation of hunger, creating possibilities of nutrition and healthy lifestyles.

3.216 product items fulfill the Nutresa nutritional profile.

23,3% Sales of innovative products with increased nutritional components.

0,9% Products with reduced critical components.

Food production*

1.068.279
Tons produced*

1,9 million m³
Water consumption*

778,6 GWh
Energy consumption*

114.254,6 tons of CO2eq.
GHG emissions*

- Meat products
- Vegetable protein
- Vegetable products
- Milk modifiers
- Hot chocolate products
- Chocolate confectionery products
- Nuts
- Coated cookies
- Cereal bars
- Sweet and savory biscuits
- Baked snacks
- Regular and water-based ice cream products
- Fruit-based beverages
- Jelly products Infusions (herbal tea products)
- Sports drinks
- Coffee
- Instant mix products
- Classic and stuffed pasta products
- Flavored pasta products and specialties
- Pasta with sauce or instant pasta products
- Instant mix products Juices and nectars
- Soups, cream-style soups and broths
- Potato chips
- Prepared products of vegetable origin
- Soft capsules and gums

*Data from Colombia, Mexico, Costa Rica, Peru, Chile, the Dominican Republic and Panama.

Managing the value chain responsibly

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.de sus productos en el mercado.

401.588 Customers benefited from capability-development programs

44,6 kg/Hdl Productivity

83,0% Organizational climate

Building a better society

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.

2.062 Small farmers have received training in socio-entrepreneurial matters.

945 Capability-development projects (2013-2018).

Reducing the environmental impact of the operations and products

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

-22,7% reduction in the consumption of thermal energy and electric power from the grid*

-31,4% Water consumption reduction*

-46,2% Greenhouse gas emission reduction*

* Reductions based on the 2010 baseline.

Distribution and commercialization

182,2 GWh
Energy consumption in distribution operations**

46.726 tons of CO_2eq.**
GHG emissions from distribution operations **

- Storage
- Distribution
- Sales

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

Acting with integrity

Leadership 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 Grupo Nutresa's operation.

Ninth consecutive year included in the Dow Jones Sustainability World Index.

Seventh consecutive year being awarded the Investor Relations "IR" acknowledgment by the Colombian Stock Exchange.de Colombia.

Retail Food Business

38.450.327
Main courses sold***

148,9 thousand m³
Water consumption***

56,9 GWh
Energy consumption***

10.804,5 tons of CO2eq.
GHG emissions***

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

*** Data from Colombia

Fostering profitable growth and effective innovation

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.

COP 9,96 trillion
Total sales

COP 1,35 trillion
EBITDA

55,4% Market share in Colombia

BUSINESS PERFORMANCE

IMPRESIÓN 3D

BISCUITS BUSINESS

SALES COP thousand million

Total sales

	2019	2018	2017
% of growth	11,3%	3,1%	1,8%
	2.029	1.823	1.768

7,1% CAGR

The Biscuits Business represents **20,4%** of Grupo Nutresa's total sales.

Sales in Colombia

	2019	2018	2017
% of growth	9,1%	2,4%	2,6%
	980	898	877
Price	0,6%	3,6%	6,6%
Volume	8,4%	-1,2%	-3,8%

5,7% CAGR

Sales in Colombia represent **48,3%** of the Business's total sales.

Sales abroad

USD million

	2019	2018	2017
% of growth	2,1%	3,6%	4,3%
	319	313	302

2,8% CAGR

Sales abroad represent **51,7%** of the Business's total sales.

PRESIDENT

Alberto Hoyos Lopera

55 years old / **Part of Grupo Nutresa since 1993**

We launched Kibo, our sustainable nutrition brand, totaling COP 1,07 billion in sales of snacks and vegetable protein products. Kibo's commercialization was mainly carried out via Amazon, B2C and the networks. On another note, the company Kibo Foods USA was incorporated in Austin, Texas, making the most of all the advantages of this city's entrepreneurship ecosystem.

The sales of the Tosh brand amounted to COP 122,91 billion in the categories of biscuits and snacks, which represents a 21,0% growth in the 31 countries where the brand has market presence.

We consolidated United States as the third market for the Business as it contributes 19,6% of the total sales. Our entry to dollar stores, the distribution expansion in the multi-cultural channel and the innovations allowed us to achieve USD 121 million in sales and a growth rate of 2,7%.

The Biscuits Business achieved its best productivity in the past five years based on the Company's operational excellence model, in addition to a 5,7% decrease in losses and a 5,7% growth rate in the volume of production.

We secured our carbon neutral re-certification; therefore, we were granted the corresponding seal for the Tosh brand in Colombia and Costa Rica based on our work offsetting 18.386 tons of C02 through forest conservation projects.

The sales of products launched over the past three years represented 14,8% of the total sales, with outstanding brands like *Festival* and *Tosh* confirming that innovation is a relevant growth driver for Grupo Nutresa.

We successfully incorporated Naturela's portfolio into Novaventa's network, closing the year with a sales growth rate of 65,4%.

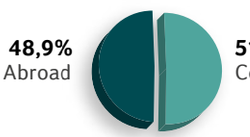
EBITDA COP thousand million

	2019	2018	2017
% of growth	13,5%	10,6%	4,6%
	277	244	220
Margin	13,6%	13,4%	12,5%

12,0% CAGR

The Biscuits Business represents **20,5%** of Grupo Nutresa's EBITDA.

EMPLOYEES



6.211

TOTAL

(Direct employees, third-party employees and apprentices)

(Direct employees and apprentices)

Customer satisfaction level based on their orders:

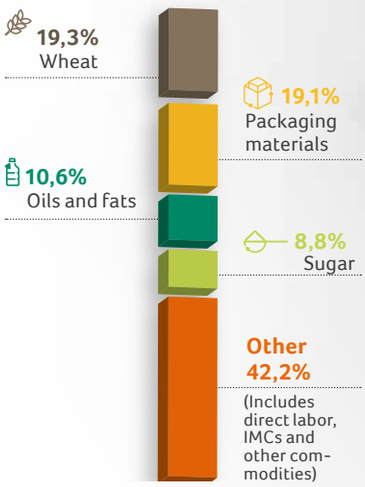
98,1%

ACKNOWLEDGEMENTS

Pozuelo, our subsidiary company in Costa Rica, was acknowledged by the country's Ministry of Environment and Energy due to its progress in sustainable development as part of the program titled "País de Carbono Neutralidad 2.0" (Carbon Neutrality Country 2.0).

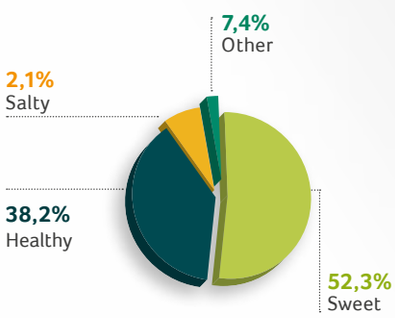
In Colombia, Noel was included in the Gold category by the local environmental authority "Área Metropolitana del Valle de Aburrá" for its sustainability programs and proactive support to the region's sustainable mobility.

SUPPLIES AND OTHER



MAIN CATEGORIES

(% of total sales)



Market share in Colombia

New full market estimation model that integrates several of Nielsen's sources of information (RMS, HomeScan, industry coverage matrix and crowdsourcing). Includes Discounters and Direct Sales, among other, and excludes institutional and wholesaler channels.

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Maintaining the brands' leadership position in Colombia and Central America by means of innovation, portfolio segmentation and a thorough management work with our customers.

Consolidating Kibo Foods's innovation and entrepreneurship model in the U.S.

Reinforcing our productivity plans in terms of sourcing, production and distribution in order to successfully manage the rise of the costs of supplies.

Fulfill the plans of the sustainable nutrition brands *Kibo* and *Naturela* by means of new value propositions and the reinforcement of our digital channel.

Capitalizing on the growth opportunities in the U.S. market with the Organization's multiple distribution networks.

BUSINESS VISION

Consolidating our leadership in the categories of biscuits and healthy snacks *in Colombia, and boosting the business growth in Central America and the United States by taking advantage of Grupo Nutresa's market entry capabilities through its modern and competitive distribution networks.*

Alberto Hoyos Lopera
Biscuits Business, Grupo Nutresa

COLD CUTS BUSINESS

SALES COP thousand million

Total sales

	2019	2018	2017
	3,4%	1,4%	1,1%
% of growth			
	1.912	1.850	1.824

2,4% CAGR

The Cold Cuts Business represents **19,2%** of Grupo Nutresa's total sales.

Sales in Colombia

	2019	2018	2017
% of growth	**3,1%**	1,3%	-1,1%
	1.734	1.682	1.660
Price	-0,4%	0,4%	1,8%
Volume	3,6%	0,9%	-2,8%

2,2% CAGR

Sales in Colombia represent **90,7%** of the Business's total sales.

Sales abroad

USD million

	2019	2018	2017
	-5,0%	2,6%	34,5%
% of growth			
	54	57	55

-1,3% CAGR

Sales abroad represent **9,3%** of the Business's total sales.

PRESIDENT

Diego Medina Leal

58 years old / **Part of Grupo Nutresa since 1997**

We launched innovations with sales greater than COP 21 billion. Our Ranchera brand ventured into the snacks category with its cabanossi product; Zenú expanded its snacks portfolio with sweet and savory options; Pietrán strengthened its vegetable protein (veggie) product line and its portfolio of preservative-free meat products with no added nitrites.

We consolidated our go-to-market in the stores and marketers channels and we implemented trade-spend in the wholesaler and self-service channels. With these actions, we generated profits for more than COP 3,7 billion.

We strengthened our fresh meat exports network to the Middle East and Europe, achieving values of approximately COP 50 billion. Two of our production plants were granted certifications related to international trade regulations.

We reinforced our brands' position in Panama, with an 86% household penetration rate, and our Berard brand was ranked third in the *top of mind* ranking according to Kantar's 2019 measurements. For its part, the *Setas de Cuivá* mushroom brand grew 14,3% in terms of sales volume in this region.

We launched and disseminated the guide for environmental sustainability in livestock farming, which contributes to and boosts the development of the sector in Colombia and raises the awareness of the value chain regarding the best practices in this activity.

Rating above 97% in the service level thanks to the articulation of the planning processes for the operations and to the optimization of the finished product rotation, which was achieved by executing a model based on the real dynamics of the demand and reducing loss and waste.

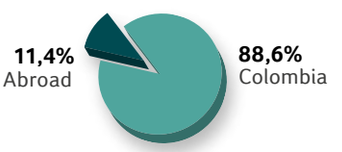
EBITDA COP thousand million

	2019	2018	2017
% of growth	**4,2%**	8,8%	-4,6%
	238	228	209
Margin	12,4%	12,3%	11,5%

6,5% CAGR

The Cold Cuts Business represents **17,6%** of Grupo Nutresa's EBITDA.

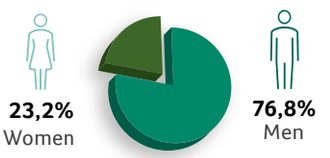
EMPLOYEES



8.774

TOTAL

(Direct employees, third-party employees and apprentices)



(Direct employees and apprentices)

Organizational climate

94% favorable rating

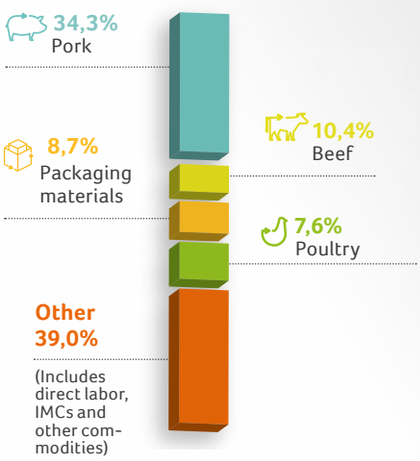
in the commitment, occupational climate and job satisfaction metric, reflecting a team of employees who identify themselves with our purposes and business strategy. This measurement was performed by *Mercer*, a global talent consultancy firm.

ENVIRONMENT

Accumulated reduction rates since 2010 from the optimization in the use of resources:

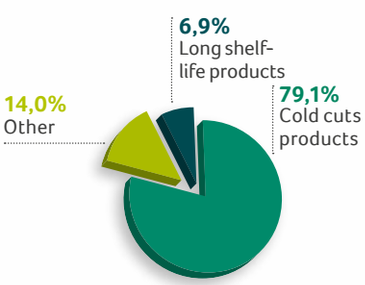
-25,1%	Water
-14,9%	Energy
-6,4%	Waste generation

SUPPLIES AND OTHER



MAIN CATEGORIES

(% of total sales)



Market share in Colombia

New full market estimation model that integrates several of Nielsen's sources of information (RMS, HomeScan, industry coverage matrix and crowdsourcing). Includes Discounters and Direct Sales, among other, and excludes institutional and wholesaler channels.

Direct presence in **3** countries

Venezuela
1

Central America
6,6%
1

Colombia
90,7%
8

Other countries
2,7%

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Growing the Business's international expansion, increasing the exports of fresh meat products to Europe and the Middle East, and strengthening our presence with cold cuts and mushroom products in Panama and Central America.

Expanding the vegetable protein category with the Pietrán brand through a full portfolio with new solutions for the market.

Contributing to the development of cattle and pig farming in Colombia through the implementation of good sustainability practices.

BUSINESS VISION

Profitably growing with a social and environmental focus. *Keep innovating in the current categories and developing new vegetable-based proposals, for both meat products and other product lines.*

Diego Medina Leal
Cold Cuts Business, Grupo Nutresa

CHOCOLATES BUSINESS

SALES COP thousand million

Total sales

	2019	2018	2017
	8,0%	6,1%	3,0%
% of growth			
	1.677	1.553	1.464

7,0% CAGR

The Chocolates Business represents **16,8%** of Grupo Nutresa's total sales.

Sales in Colombia

	2019	2018	2017
% of growth	**5,8%**	3,9%	3,2%
	1.011	955	919
Price	2,4%	0,4%	4,6%
Volume	3,4%	3,5%	-1,3%

4,9% CAGR

Sales in Colombia represent **60,3%** of the Business's total sales.

Sales abroad

USD million

	2019	2018	2017
	0,5%	9,2%	5,6%
% of growth			
	202	201	184

4,7% CAGR

Sales abroad represent **39,7%** of the Business's total sales.

PRESIDENT

Juan Fernando Castañeda Prada

52 years old / **Part of Grupo Nutresa since 2011**

In the chocolate confectionery category, our sales amounted to COP 680 billion, that is 8,3% higher than the previous year. These sales were driven by leading brands such as Jet and Jumbo, and by relevant innovations like Burbujet.

In Colombia, we celebrated the 60th anniversary of our continued work on both research and the training of cocoa growers in good agricultural practices through the La Nacional Farm, thus reasserting our commitment to the sustainability of the cocoa growing industry.

17,8% growth rate in Central America driven by the Tutto brand, which grew 43,9% and consolidated its market share leadership in the chocolate tablet segment. The following are some innovations in the region worth highlighting: Fusion, Bonbons and Christmas devised by the Tutto brand, and the launch of the ready-to-serve cereals under the Tosh brand.

We continued working on the expansion of our brands Granuts, Muibon and Tosh across the countries of the strategic region.

We introduced the Cordillera brand in Mexico, Central America and Peru, with growth rates of 19%, 11% and 25%, respectively.

We continued consolidating our presence in the nuts category throughout the region based on innovative products and effective distribution.

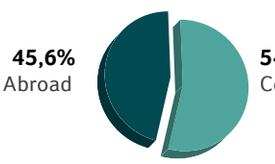
EBITDA COP thousand million

	2019	2018	2017
% of growth	-7,0%	20,8%	40,8%
	232	250	206
Margin	13,8%	16,1%	14,1%

6,0% CAGR

The Chocolates Business represents **17,2%** of Grupo Nutresa's EBITDA.

EMPLEADOS



4.294

TOTAL

(Direct employees, third-party employees and apprentices)

(Direct employees and apprentices)

Organizational climate

92% Colombia

94% Costa Rica

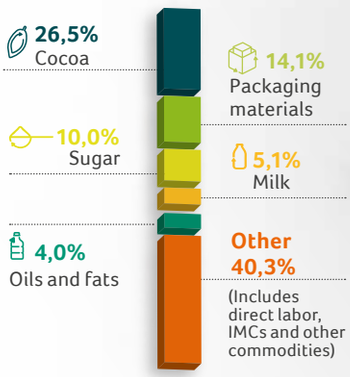
Labor Productivity (kg man-hour)

5,2% increase, surpassing the goal set for the year.

ACKNOWLEDGEMENTS

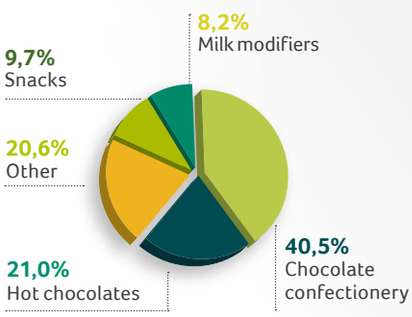
Familiarly Responsible Company (*EFR*) certification, category A, level of excellence, granted by the Spanish *Másfamilia* Foundation thanks to our implementation of good practices that promote balance in the personal, family and work aspects of life among employees.

SUPPLIES AND OTHER

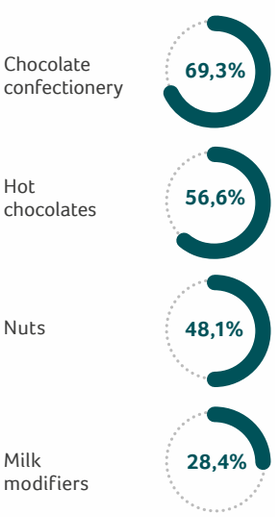


MAIN CATEGORIES

(% of total sales)



Market share in Colombia



New full market estimation model that integrates several of Nielsen's sources of information (RMS, HomeScan, industry coverage matrix and crowdsourcing). Includes Discounters and Direct Sales, among other, and excludes institutional and wholesaler channels.

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Strengthening the positioning of our key brands in the multiple categories and geographies by managing our Brands and Networks Model, the delivery of superior value propositions and the improvement of the return of our marketing investment.

Keep working on our geographic expansion and enhancing our our market entry capabilities by means of brands and products like *Tosh* in Central America, and *Cool! nuts* in Mexico.

Keep fostering our innovation management work with value propositions focused on our mega-brands.

Maintaining our gross margins based on the productivity of our operations and proactive and efficient commodity procurement management work.

BUSINESS VISION

Being the top business in the strategic region *(Colombia, Central America, Ecuador and Peru) in two categories, nuts and chocolate confectionery and beverages, based on brands that lead their corresponding categories and offer superior value propositions.*

Juan Fernando Castañeda Prada
Chocolates Business, Grupo Nutresa

COFFEE BUSINESS

SALES COP thousand million

Total sales

	2019	2018	2017
	1.210	986	1.002
% of growth	22,8%	-1,6%	4,8%

9,9% CAGR

The Coffee Business represents 12,2% of Grupo Nutresa's total sales.

Sales in Colombia

	2019	2018	2017
	660	623	594
% of growth	6,0%	4,8%	4,5%
Price	0,1%	2,3%	0,7%
Volume	5,9%	2,4%	3,8%

5,4% CAGR

Sales in Colombia represent 54,6% of the Business's total sales.

Sales abroad

USD million

	2019	2018	2017
	166	123	138
% of growth	35,1%	-10,9%	9,3%

9,7% CAGR

Sales abroad represent 45,4% of the Business's total sales.

PRESIDENT

Miguel Moreno Múnera

42 years old / **Part of Grupo Nutresa since 2003**

The Business attained growth in the roasted and ground coffee segment in Colombia (+7,2%) and we achieved an excellent performance with our brands *Sello Rojo* and *Matiz*.

The Organization acquired *Cameron's Coffee*, which contributed USD 25,8 million in sales over the year.

An adequate balance was achieved in the Business's production platforms, with improvements in the global effectiveness of the teams, reaching an 87% rate in this regard.

We consolidated our go-to-market model in the U.S. to serve business-to-business (B2B) customers with the strategic collaboration of important local allies.

The Business made progress in its initiatives focused on strategic sourcing and efficient management of coverage in the green coffee purchase process.

We developed a program focused on coffee growing farms with the implementation of sustainability strategies that benefit 250 coffee growers and their families in the Colombian states of Santander, Valle del Cauca, Cauca and Huila.

We developed differentiated portfolios of hot and cold brew products for the beverage industry in the U.S. and Asia.

We developed the *La Bastilla Campo* innovation by using the coffee beans in their entirety. This represents a significant contribution to the brand's sustainability and competitiveness.

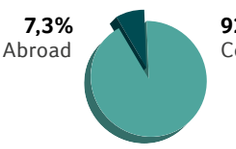
EBITDA COP thousand million

	2019	2018	2017
	141	99	121
% of growth	43,5%	-18,4%	-22,1%
Margin	11,7%	10,0%	12,1%

8,2% CAGR

The Coffee Business represents 10,5% of Grupo Nutresa's EBITDA.

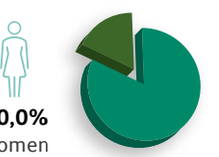
EMPLOYEES



2.010

TOTAL

(Direct employees, third-party employees and apprentices)



(Direct employees and apprentices)

Organizational climate

80% rate in terms of commitment y satisfaction at the workplace

Labor productivity

41% increase since 2013

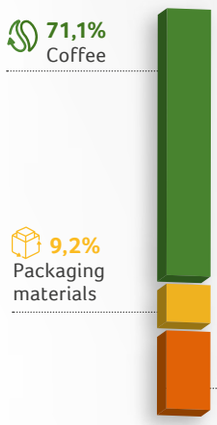
ENVIRONMENT

Reduction rates in terms of the use of resources:

-34,3%	Water
-26,8%	Energy
-35,3%	Total GHG emissions

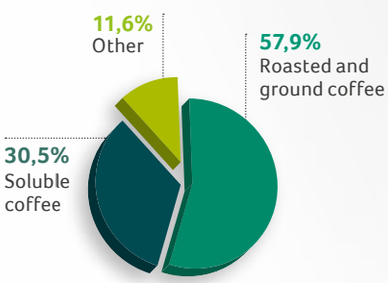
Accumulated rates in relation to the figures from 2010.

SUPPLIES AND OTHER

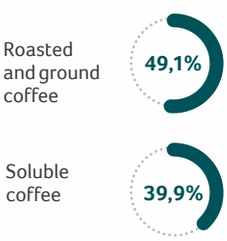


MAIN CATEGORIES

(% of total sales)



Market share in Colombia



New full market estimation model that integrates several of Nielsen's sources of information (RMS, HomeScan, industry coverage matrix and crowdsourcing). Includes Discounters and Direct Sales, among other, and excludes institutional and wholesaler channels.

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Consolidating the acquisition of *Cameron's Coffee* and enhancing its growth in terms of both its brand and B2B capabilities.

Continue working on the development of our general brand in strategic countries based on our brands, talent and local distribution capabilities.

Maintaining our strategic sourcing capabilities in terms of global presence and competitiveness.

BUSINESS VISION

We will focus our efforts on three growth drivers: *one, the dynamization of the coffee category in Colombia; two, the development of our brands outside Colombia; and three, the collaboration with large-scale companies for us to be the best ally in the creation of coffee beverages and the like. We will support our growth on highly productive and efficient operating and distribution platforms managed by the best human talent.*

Miguel Moreno Múnera
Coffee Business, Grupo Nutresa

TRESMONTES LUCCHETTI

Sales COP thousand million

Total sales

4.8%	1,7%	-0,3%	% de crecimiento
1.042	995	978	
2019	2018	2017	

3,2% CAGR

Tresmontes Lucchetti represents **10,5%** of Grupo Nutresa's total sales.

Sales abroad

USD million

-5,8%	1,8%	3,0%	% of growth
318	338	332	
2019	2018	2017	

-2,1% CAGR

Sales abroad represent **100%** of the Business's total sales.

EBITDA COP thousand million

% of growth	9,7%	1,8%	31,9%
142	129	127	
2019	2018	2017	
Margin	13,6%	13,0%	13,0%

5,7% CAGR

Tresmontes Lucchetti represents **10,5%** of Grupo Nutresa's EBITDA.

PRESIDENT

Justo García Gamboa

57 years old / **Part of Grupo Nutresa since 2013**

We unified Tresmontes Lucchetti's and Nutresa Mexico operations, thus achieving operational savings for USD 1 million, the establishment of a standardized culture, the consolidation of processes and structures, and the integration of the SAP system.

We created differentiated value propositions in the snacks category for the traditional channel in terms of product formats and packaging, with a 10% revenue increase in Chile.

The Business launched its *Zuko Sábila* (aloe) product in Mexico with the aim of boosting the beverage category and responding to a highly competitive business environment.

We broadened the presence of our *Kryzpo* stackable chips products in the strategic region, now reaching Colombia, Costa Rica, Ecuador, Honduras and Panama.

We enhanced the traditional and direct distribution channels in Chile jointly with regional customers with the aim of balancing the importance of other channels.

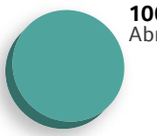
The Business entered the dried fruits category in Chile with its Granuts brand.

The Business consolidated in a transversally manner the adoption and maturing process of the sales and operations planning model, decreasing the inventory rotation by three days over the year.

We promoted the growth and leadership of the instant cold beverage category through innovations in our carbon-neutral instant juice products by replacing artificial colors with natural colors in all the products from the *Zuko* and *Livean* lines in Chile.

The Business continued working on its durum wheat sustainable development program jointly with public-sector allies, thus fostering the growth of small farmers.

EMPLOYEES



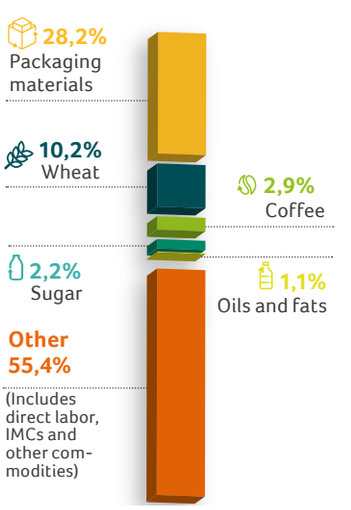
4.401

TOTAL

(Direct employees, third-party employees and apprentices)

(Direct employees and apprentices)

SUPPLIES AND OTHER



Growth **55,0%** in the Food Service-Industrial channel in Chile.

We enhanced the value proposition of our *Gold* coffee brand by consolidating its product line with the following results:

+12%* Premier granulated coffee

+18%* Ground coffee

* Of revenue in Chile.

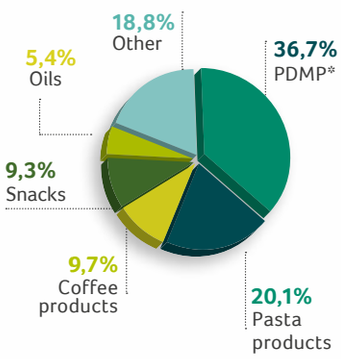
MUIBON

We consolidated the entry into the chocolates market in Chile with our *Muibon* brand, thus achieving an **8%** increase in revenue.

Direct presence in **7** countries

MAIN CATEGORIES

(% of total sales)



Market share

PDMP* (Chile)	59,4%
Pasta products (Chile)	28,1%
Coffee products (Chile)	17,2%
Potato chips (Chile)	13,6%
PDMP* (México)	34,1%

New full market estimation model that integrates several of Nielsen's sources of information (RMS, HomeScan, industry coverage matrix and crowdsourcing). Includes Discounters and Direct Sales, among other, and excludes institutional and wholesaler channels.

*Powdered drink mix products

United States
2,8%

Mexico
17,8%
1

Central America
4,2%

Other countries
3,4%

Chile
71,8%
3

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Maintaining our leadership in the powdered drink mix category, promoting growth with innovative proposals for both customers and consumers in Chile and Mexico.

Boosting our innovative offer in categories such as coffee and snacks to ensure a sustained growth in Chile.

Strengthening the categories of dehydrated, dessert and pastry products, and milk modifiers, which represent potential growth for the Business in Chile.

Continue working on the development process of channels and customers in Chile and Mexico that contribute to the balance and diversification of both revenue and profitability regarding regional customers, shops, stores and the food service channel.

BUSINESS VISION

Strengthening our actions as a multi-category Business *with strong and diversified brands and market entry capabilities, based on a high-performance human talent team focused on outstanding sustainability practices.en sostenibilidad.*

Justo García Gamboa
Tresmontes Lucchetti

RETAIL FOOD BUSINESS

Sales COP thousand million

Total sales

	2019	2018	2017
% of growth	10,4%	5,8%	6,1%
	815	738	697

8,1% CAGR

The Retail Food Business represents **8,2%** of Grupo Nutresa's total sales.

Sales in Colombia

	2019	2018	2017
% of growth	8,0%	7,6%	8,7%
	563	521	485

7,8% CAGR

Sales in Colombia represent **69,1%** of the Business's total sales.

Sales abroad

USD million

	2019	2018	2017
% of growth	4,8%	1,8%	4,0%
	77	73	72

3,3% CAGR

Sales abroad represent **30,9%** of the Business's total sales.

PRESIDENT

Juan Chusán Andrade

55 years old / **Part of Grupo Nutresa since 2013**

We improved the experience in our points of sale by relocating or renovating our shops for El Corral, Leños & Carbón and Papa John's in Colombia, and our Bon and Pops ice cream shops in Central America.

The Business maintained its productivity by achieving adequate operating costs and enhancing the scale of its businesses.

We created the *Burger Bar by El Corral*, an innovation-kitchen gastronomic concept that allows testing different products and technologies, and offering new experiences to our consumers.

The Business executed negotiation and sourcing processes with its suppliers to boost the competitiveness and scale of our operations.

We enhanced our engagement with multiple service aggregators (third-party delivery service providers) to reach consumers through the use of these new platforms.

The Business designed eco-design strategies for its packaging solutions and migrated to environmentally friendlier materials.

EBITDA COP thousand million

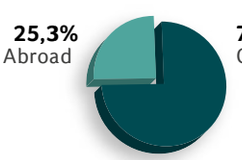
	2019	2018	2017
% of growth	115,7%	-1,1%	-8,5%
	184	85	86

46,1% CAGR

	2019	2018	2017
Margin	22,6%	11,6%	12,4%

The Retail Food Business represents **13,7%** of Grupo Nutresa's EBITDA.

EMPLOYEES



7.370

TOTAL

(Direct employees, third-party employees and apprentices)

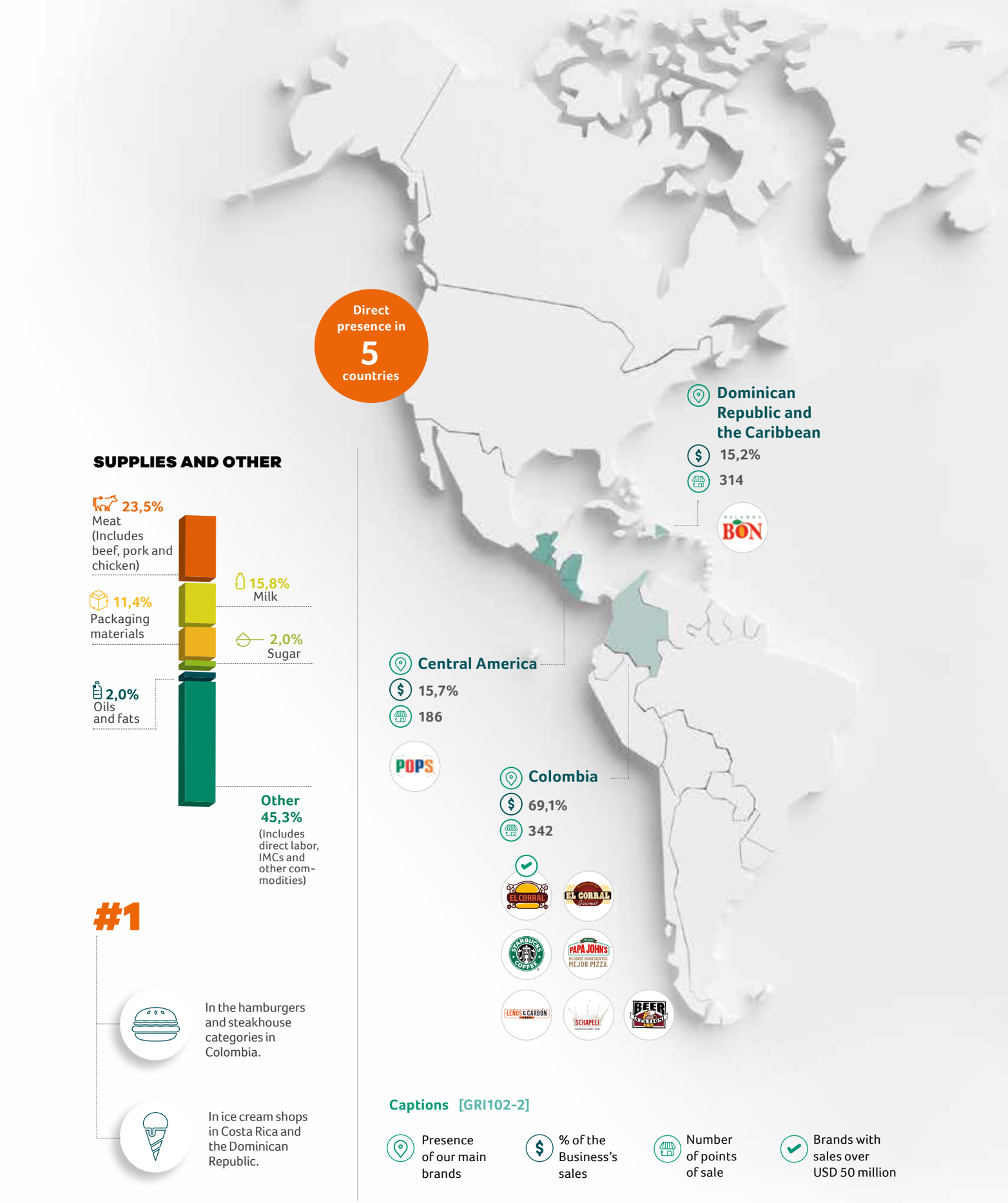
(Direct employees and apprentices)

SOCIAL COMMITMENT

1.200 hours of social volunteer work in Costa Rica.

58 employees with disabilities hired in Colombia through alliances with *Best Buddies*.

82% of the employees participated in volunteer activities in the Dominican Republic.



SUPPLIES AND OTHER

#1

In the hamburgers and steakhouse categories in Colombia.

In ice cream shops in Costa Rica and the Dominican Republic.

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of points of sale
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Developing the international market focusing on the Caribbean, broadening the experience in the Bon ice cream shops with new products for different times of the day and continue optimizing the sales processes at Pops.

Consolidating the business strategy in its three dimensions: people, 360 vision and new technologies. This will enable the Business to tackle challenges such as: single-use packaging materials, high rotation, volatility in the cost of supplies and the highly competitive business environment.

BUSINESS VISION

Continue leading the consumer preference field in the market through better experiences in our restaurants. *This objective will be fulfilled based on management work performed by a team deeply committed to service and operational excellence and by contributing to Grupo Nutresa's sustainable goals.*

Juan Chusán Andrade
Retail Food Business

ICE CREAM BUSINESS
Polet

Sales COP thousand million

Total sales

	2019	2018	2017
% of growth	7,0%	4,9%	-3,0%
	476	444	423

6,0% CAGR

The Ice Cream Business represents **4,8%** of Grupo Nutresa's total sales.

Sales in Colombia

	2019	2018	2017
% of growth	7,0%	4,9%	-3,0%
	476	444	423
Price	4,0%	0,7%	6,6%
Volume	3,0%	4,2%	-8,9%

6,0% CAGR

Sales in Colombia represent **100%** of the Business's total sales.

PRESIDENT

Mario Alberto Niño Torres

53 years old / **Part of Grupo Nutresa since 2006**

The EBITDA margin improvement was attained thanks to the productivity projects that achieved higher efficiency levels in the business key processes.

The Business optimized its amount of brands, thus achieving a higher efficiency in its investments in advertising and increases in its results.

We renovated the image of our *Crem Helado* brand with a differentiated value proposition for the market.

The Business improved its processes with the aim of better understanding both consumers and customers in order to accomplish a higher level of effectiveness in terms of its results.

We made significant progress in bridging sustainability gaps.

The Business renovated and launched its "Somos" cultural model, thus fostering teamwork and the sense of organizational identity, and enhancing the training level of our employees.

We worked on innovating our processes, channels and products to become increasingly agile regarding the market entry capabilities of our portfolio.

EBITDA COP thousand million

	2019	2018	2017
% of growth	25,0%	27,9%	-20,7%
	68	54	42
Margin	14,2%	12,2%	10,0%

26,5% CAGR

The Ice Cream Business represents **5,0%** of Grupo Nutresa's EBITDA.

EMPLOYEES

100% Colombia

2.340

TOTAL

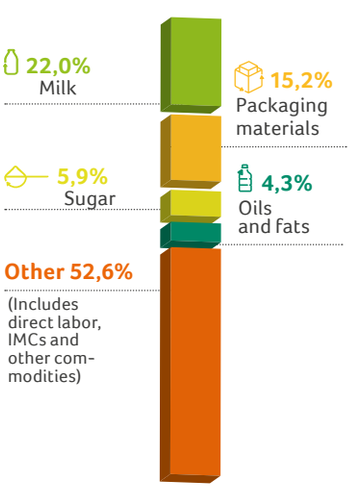
(Direct employees, third-party employees and apprentices)

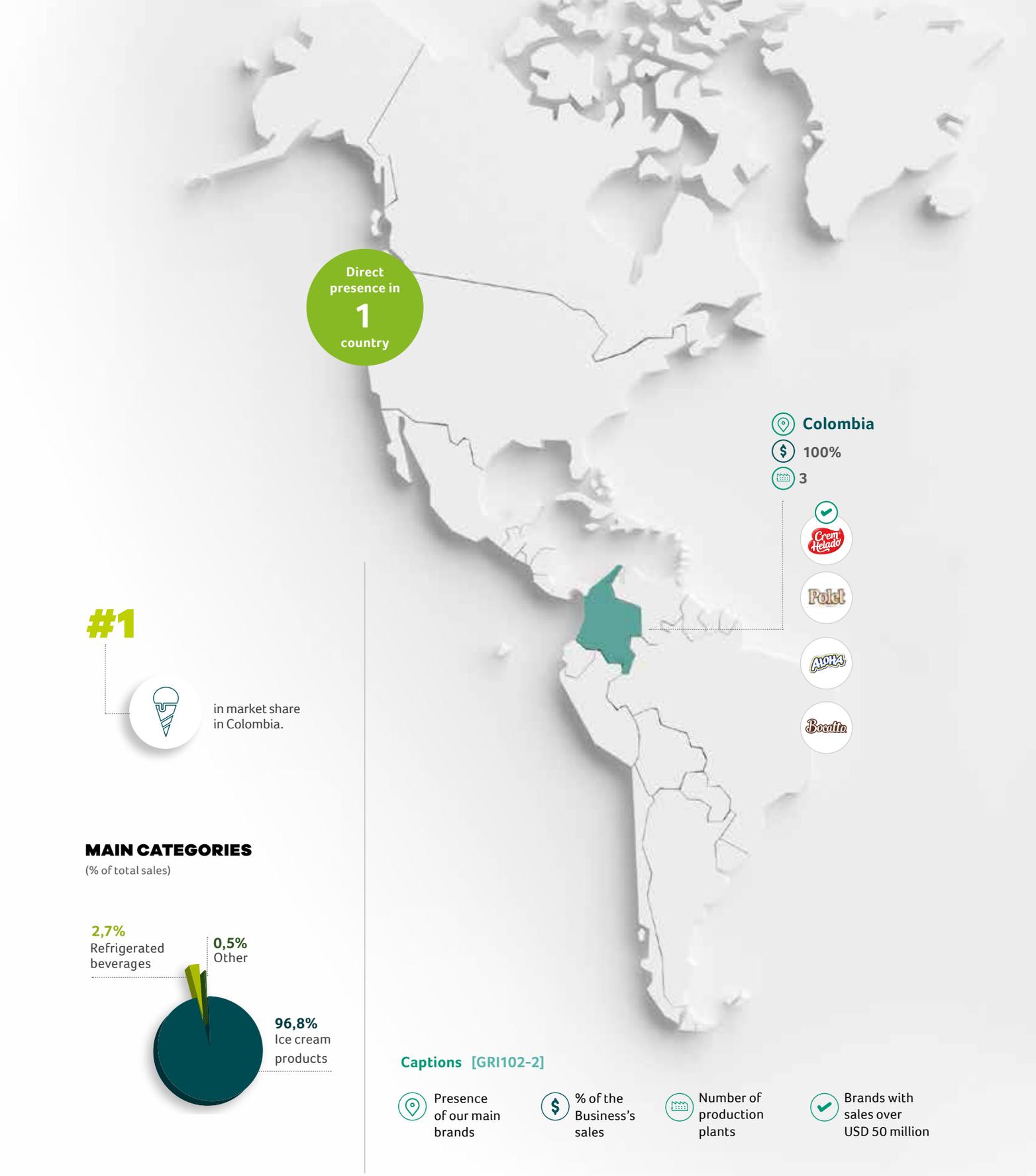
28,2% Women

71,8% Men

(Direct employees and apprentices)

SUPPLIES AND OTHER





#1

in market share in Colombia.

MAIN CATEGORIES

(% of total sales)

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Maintaining innovation models for products, processes and business models that make contributions as layers additional to growth and profitability.

Identifying and implementing productivity models that support the business profitability.

Continue working on bridging gaps with a superior performance regarding sustainable practices in the industry.

Strengthening the "Somos" culture strategy with well-defined processes and a solid cultural model for our Organization.

Positioning innovation and new technologies as drivers of a continued transformation for our business.

BUSINESS VISION

We will strive to achieve a profitable growth based on innovation, *technology incorporation and management, and the development of new distribution channels that will allow us to maintain our leadership and improve our share in markets where we have found expansion possibilities.*

Mario Alberto Niño Torres
Ice Cream Business, Grupo Nutresa

PASTA BUSINESS

Sales COP thousand million

Total sales

	2019	2018	2017
	13,6%	2,9%	2,4%
	343	302	294

% of growth

8,1% CAGR

The Pasta Business represents **3,4%** of Grupo Nutresa's total sales.

Sales in Colombia

	2019	2018	2017
% of growth	**13,5%**	2,4%	2,3%
	340	300	293
Price	3,0%	1,6%	0,8%
Volume	10,2%	0,7%	1,5%

7,8% CAGR

Sales in Colombia represent **99,2%** of the Business's total sales.

ENVIRONMENT

We reused 100% of the wastewater at the Mosquera production plant.

Water consumption reduction: **-35,1%**

PRESIDENT

Fabián Andrés Restrepo Zambrano

45 years old / **Part of Grupo Nutresa since 1996**

The Business achieved a significantly positive evolution in its results by managing challenges associated with devaluation and road and maritime logistics circumstances.

We achieved two-digit growth in sales (13.6%), increasing our market share and strengthening the positioning and capital of our Business's brands.

The Business improved the profitability of its brands by being efficient and productive in its investment, increasing its sales volumes, managing its expenses and generating value-per-kilo growth.

We focused our capital investments on enhancing the efficiency of our production plants, thus obtaining a higher level of productivity as a result.

The Business enhanced the capabilities of its people within the framework of diversity and sustainable development, underscoring innovation, the creation of memorable experiences, collaborative work and adaptability.

We managed our Imagix Model based on an innovative culture and on a portfolio of projects focused on new products, services and processes. In addition, we made great progress in initiatives that contribute to our sustainability.

EBITDA COP thousand million

	2019	2018	2017
% of growth	32,7%	12,3%	11,5%
	43	33	29
Margin	12,6%	10,8%	10,0%

22,0% CAGR

The Pasta Business represents **3,2%** of Grupo Nutresa's EBITDA.

EMPLOYEES

100% Colombia

684

TOTAL

(Direct employees, third-party employees and apprentices)

28,8% Women

71,2% Men

(Direct employees and apprentices)

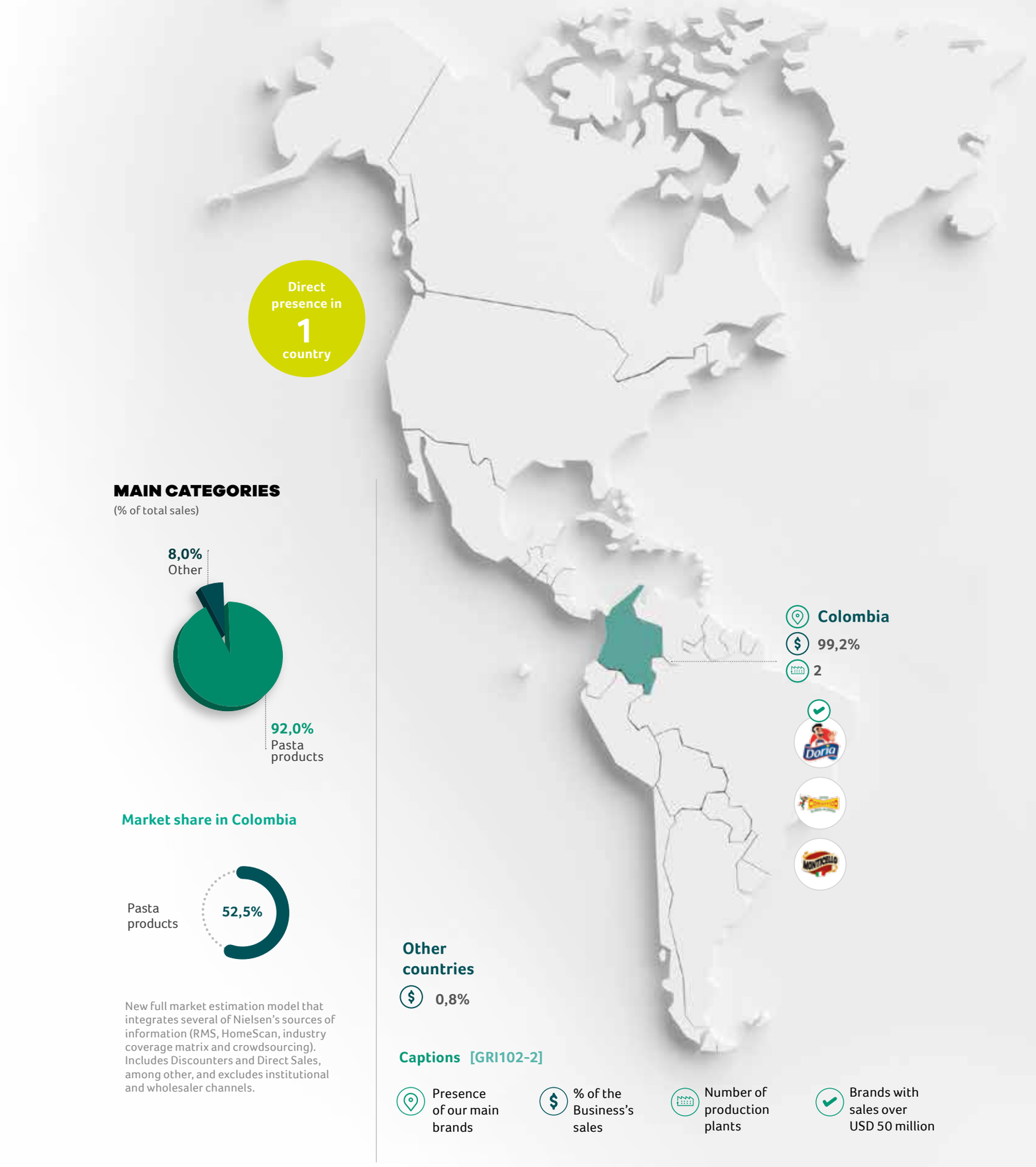
SUPPLIES AND OTHER

65,7% Wheat

Other 23,2%

(Includes direct labor, IMCs and other com-modities)

11,1% Packaging materials



MAIN CATEGORIES

(% of total sales)

Market share in Colombia

New full market estimation model that integrates several of Nielsen's sources of information (RMS, HomeScan, industry coverage matrix and crowdsourcing). Includes Discounters and Direct Sales, among other, and excludes institutional and wholesaler channels.

Captions [GRI102-2]

- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

OUTLOOK FOR 2020

Maintaining the optimization of the costs of commodities in their multiple components to fulfill the value promise for our customers and consumers.

Continue generating value and growth for the Business, strengthening the brands' higher purpose through differentiated and sustainable value propositions, relevant innovation and growth in the international markets.

Making progress in the comprehensive development of our people, enhancing the Nutresa talents and fostering a diverse and inclusive culture with the aim of strengthening the capabilities of the Business.

Leveraging the capital investments on continued contributions of productivity and profitability to the Business.

Managing the digital transformation by adequately incorporating and internalizing technologies based on a culture of adaptability and flexibility.

BUSINESS VISION

Consolidating our leadership in the pasta business and our development of new categories focused on health and nutrition *based on new capabilities, adaptive leadership and innovation.*

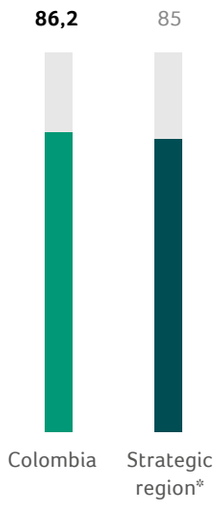
Fabián Andrés Restrepo Zambrano
Pastas Business, Grupo Nutresa

CROSS-ORGANIZATIONAL UNITS

COMERCIAL NETWORKS

Customer satisfaction level in 2019

Customer loyalty level in 2019

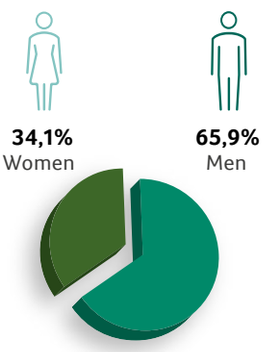


*Loyalty and satisfaction measurements are performed every two years.

EMPLOYEES

Comercial nutresa	4.554
novaventa	1.712
La Receta soluciones gastronómicas integradas	292
ATLANTIC	436

6.994
TOTAL
(Direct employees, third-party employees and apprentices)



(Direct employees and apprentices)

PRESIDENT

Juan Fernando Castañeda Prada

52 years old / **Part of Grupo Nutresa since 2011**

The Organization acquired a 51% interest in Atlantic Food Service, a company specialized in the commercialization of products in the institutional or food service channel in Colombia.

We maintained the dynamism of our brands in the traditional channel with a 4.6% increase in value.

The Organization kept its expenditure under the sales growth, contributing to the business productivity and efficiency thanks to the evolution of the commercial model and the optimization of the structure.

We reduced the CO2 emissions from our distribution fleet by 35%. This was possible due to the efficient-driving efforts among the directly operated vehicles and to the adequate management of the vehicle fleet maintenance activities.

We incorporated the first electric vehicle with a capacity of 4,5 tons and three natural gas-powered cargo vehicles. Additionally, we replaced 24 cargo machinery units and used electric tricycles for delivery activities with a lesser environmental impact.

The Novaventa network closed the year with a total of 192.666 individual entrepreneurs, enabling direct access to almost four million Colombian consumers.

We implemented a pilot program of commercial agents with exclusive dedication, which allows focusing the Organization's efforts and a higher level of specialization in the topics associated with the segment.

OUTLOOK FOR 2020

Supporting the transformation of the market by maintaining the best value proposition for our customers, along with a better coverage and a higher level of efficiency.

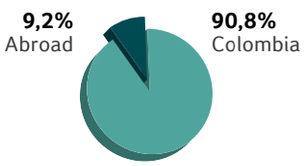
Incorporating Atlantic Food Service's product portfolio to Grupo Nutresa's commercial ecosystem.

Raising the portfolio efficiency by optimizing the number of product references and improving the value offer for each one of the segments according to the brands and networks management model.

Maintaining the best environmental practices to keep contributing to the reduction of CO_2 emissions by incorporating more electric vehicles, ensuring the continuity of our efficient driving plans and adequately managing our maintenance plans.

SERVICIOS NUTRESA

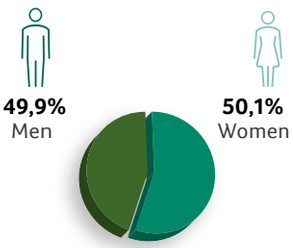
EMPLOYEES



945

TOTAL

(Direct employees, third-party employees and apprentices from Colombia and Costa Rica)



(Direct employees and apprentices)

Workplace climate, commitment and satisfaction rating

Colombia	**89,0%**
Abroad	**90,0%**

According to the last measurement performed in 2018.

Savings evolution

2017 **COP 86,2 billion**

2018 **COP 86,4 billion**

2019 **COP 88,9 billion**

From the efficiency achieved in negotiations and sourcing processes, COP 59,01 billion of which correspond to savings in Colombia and USD 9.9 million to our platforms abroad.

PRESIDENT

Sol Beatriz Arango Mesa

58 years old / **Part of Grupo Nutresa since 1992**

Servicios Nutresa developed new services that contribute to Grupo Nutresa's competitiveness. The exploration and adoption of new technologies, the adaptive leadership training and the foreign trade and external manufacturing services are some notable examples of such new services.

Servicios Nutresa fulfilled the planned value proposition regarding competitiveness and productivity, maintaining the cost-to-serve in the operations in Colombia, Costa Rica and the procurement office in Shanghai, China.

Servicios Nutresa supported the acquisition process of both *Cameron's Coffee* and *Atlantic Food Service*, as well as multiple alliances and entrepreneurship projects with the objective of facilitating their growth and connection with the rest of the Organization.

We started the project that consists in the adoption of digital tools for negotiation and contracting with the purpose of harnessing efficiency and seizing opportunities for the entire Organization.

Servicios Nutresa adopted a risk and trend management model as input for the formulation of the forward planning actions and the corporate strategy.

We made progress in the use of agile methodologies, mass learning of new technologies and adjustment of the structures that facilitate both mobility and collaboration. Additionally, 14 work teams were formed with the aim of fostering the adoption of these new capabilities.

We developed practices focused on strengthening women's leadership and *Servicios Nutresa* was ranked 1st in Aequales's gender equality par ranking in the Colombian state of Antioquia.

We consolidated our *Servicios Nutresa School* by enhancing the sustainability management capabilities among both employees and contractors. Additionally, we provided training for more than 13.900 employees and leaders in topics related to sustainability and Human Rights.

Significant progress was made in terms of circular economy with the support provided to the Businesses in the formulation of eco-design criteria with the aim of producing recyclable, reusable or compostable packaging solutions.

We implemented 22 cases of use of new technologies focused on RPA, exoskeletons, blockchain, artificial intelligence, internet of things, virtual and augmented reality, advanced analytics and 3D printing.

We consolidated alliances and agreements with agents from the innovation ecosystem in order to accelerate the implementation of projects related to new technologies.

OUTLOOK FOR 2020

Consolidating and developing new services centered on the productivity and competitiveness needs of our customers while broadening our scope at a worldwide scale.

Promoting the adoption and use of new technologies for the optimization of processes that enhance our customers' physical and digital experiences.

Supporting the digital transformation of all the Businesses, as well as the use of agile, flexible and collaborative work models.

Continue fostering an adequate risk management and the integrity-based behavior of the employees to ensure the continuity and sustainability of the business.

Strengthening the co-creation processes and the strategic alliances to boost innovation and project implementation.

VISION OF *REDES COMERCIALES SECAS*

Continue being the strongest food distribution network in Colombia *and working on maximizing our market entry by focusing on maintaining the best value proposition for each one of the segments we serve. We will maintain our commitment to competitiveness, making significant contributions to the improvement of the cost-to-serve, with a highly qualified and committed team.*

Juan Fernando Castañeda Prada
Comercial Networks

VISION OF *SERVICIOS NUTRESA*

We will consolidate an agile and flexible model of shared services *managed by a talented team that facilitates the processes of research, development and innovation and that contributes to the transformation of the sourcing models based on sustainable practices throughout the value chain with the purpose of enhancing the competitiveness of our customers.*

Sol Beatriz Arango Mesa
Servicios Nutresa

Balada para Adaline
Balada para Adaline

STRATEGIC PRIORITIES

ACTING WITH **INTEGRITY**

For Grupo Nutresa, acting with integrity is synonymous with building trust among its stakeholders. Therefore, the Organization founds its processes on ethics and good conduct, on risk identification and addressing procedures, and on the assurance of the compliance with the regulations and standards that govern its operation.

Employees from the Coffee Business, Colombia.

Commitment to the SDGs

STRATEGY
[GRI 103-2]

Establishing a conduct framework governed by transparency, integrity and ethics by developing management, information reporting and control policies aligned with the highest worldwide standards of corporate governance.

Supporting the decision-making process and guiding the implementation of prevention, risk mitigation and crisis management actions.

PROGRESS
[GRI 103-3]

- **External and independent evaluation of the Board of Directors** to identify and maintain the level of excellence in its performance, composition and operation.
- **Approximately 13.700 employees received training** in Human Rights and more than **15.500** on the Code of Corporate Governance.
- **87 incidents** reported with regard to the Code of Corporate Governance and **181** reports received and addressed through the Ethics Hotline. **[GRI 102-17] [ODS 16.5] [ODS 16.6]**

- **Expansion** of the scope of the trend and risk management methodology into all the Businesses as input for the strategic planning, analysis of relevant reputation matters and formulation of management measures by the Reputation Management Committee.
- **More than 2.000 employees received training** in risk, crisis and continuity management, and more than 9.000 in information security.
- **More than 10.700 direct and third-party employees received training** in matters related to preventing the risk of asset laundering and terrorism financing. **[GRI 205-2]**
- **80,13% progress in the evolution** of the business continuity maturity level and the expansion into Mexico.
- **Update of the Policy for the Prevention and Control of the Money Laundering and Terrorism Financing Risk** and subsequent implementation of the policy in Colombia and support to the prioritized companies abroad.

PROFITABLE **GROWTH** AND EFFECTIVE **INNOVATION**

Grupo Nutresa focuses its efforts on generating value propositions with memorable and differentiated experiences for the market, centered on consumers, shoppers and customers, and based on an innovative culture in terms of processes, products and business models.

Training activities based on virtual and augmented reality technologies in the Retail Food Business in Colombia.

Commitment to the SDGs

STRATEGY
[GRI 103-2]

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.

PROGRESS
[GRI 103-3]

- **Acquisition of the company Atlantic Food Services,** which specializes in the supply of the hotels, restaurants and cafeterias channel.
- Consolidation of the **portfolio presence in 47 countries** and an international sales share of 37,7% of Grupo Nutresa's total sales.
- **Launch of the Kibo brand in Colombia and Kibo Foods in the U.S.** with a sustainable nutrition proposal
- **Expansion of Novaventa's ability to directly reach consumers** with the inclusion of the cold products portfolio through direct purchase and experience locations.
- **Launch of the Cordillera brand in Central America, Peru, Ecuador and Mexico;** the Granuts brand in Chile and Brazil; the chocolate tablet portfolio in Puerto Rico; and Bénet in Guatemala.

Implementing effective innovation based on the correct understanding of the needs of both customers and consumers, which translates into products, services, processes and business models.

- **Organization and execution of 3 strategic innovation workshops** in all the Businesses with the aim of identifying exponential growth opportunities.
- **219** promoters received training with the purpose of strengthening the adoption of the Imagix Model.
- **Creation of the learning hub for re-training activities** and the development of the new technological capabilities required.
- **Exploration of new Industry 4.0 technologies** through experimentation and the creation of prototypes in the fields of exoskeletons, advanced analytics, robotization and automation of processes, mixed reality technologies (virtual and augmented), internet of things, artificial intelligence, 3D printing and blockchain.

PROMOTING A **HEALTHY LIFESTYLE**

The well-being of the consumers is a priority for Grupo Nutresa, which is why the Organization works 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.

Commitment to the SDGs

Grupo Nutresa designs and introduces initiatives focused on nutrition and on the development of capabilities among the communities.

STRATEGY
[GRI 103-2]

Offering products and menus that provide alternatives focused on nutrition and well-being, promoting healthy lifestyles, and ensuring clear labeling and responsible advertising.

Ensuring the satisfaction, well-being and nourishment of consumers with safe and high-quality products under a strict compliance with the legal framework and by means of an excellent service.

Designing and undertaking initiatives focused on the eradication of hunger, creating possibilities of nutrition and development of capabilities for the communities, as well as initiatives aiming to reduce food loss and waste in the value chain.

PROGRESS
[GRI 103-3]

- **3.216 products were adjusted to the Nutresa nutritional profile,** surpassing the goal established for 2020 at 76 product references.
- **88,7% of the portfolio complies with the** front-panel **labeling** requirements.
- **98,5% of the advertising has been adjusted** to the self-regulation criteria for minors under 12 years old.
- **41 product references with reduced** sodium content, 26 with reduced sugar and 7 with reduced saturated fat.

- **247 up-to-date certifications for the systems of quality,** safety, risks, good agricultural and livestock practices, commercial safety, workplace health and safety, environmental performance and product seals.
- **88,2% of the production was manufactured in processing plants that hold certifications** and abide by standards on food management.
- **100% compliance with the dispositions of the Food Safety Modernization Act** (FSMA) in the Coffee, Biscuits, Chocolates and Pastas Businesses that export their products to the U.S.

- **405 families benefited from 15.576 servings of fruits and vegetables** delivered by Grupo Nutresa in five Colombian states.
- **Consolidation of the information collection and management procedure** by applying the Food Loss and Waste Reduction Policy and providing training in this regard to 116 employees.
- **589.000 people benefited** from the delivery of 1.052 tons of products to the food banks in Colombia.

BUILDING A BETTER SOCIETY

Grupo Nutresa focuses on empowering teachers and academic directors by developing their capabilities with the purpose of boosting the education competitiveness and quality in the community. Additionally, the Organization actively fosters the respect for Human Rights among its stakeholders.

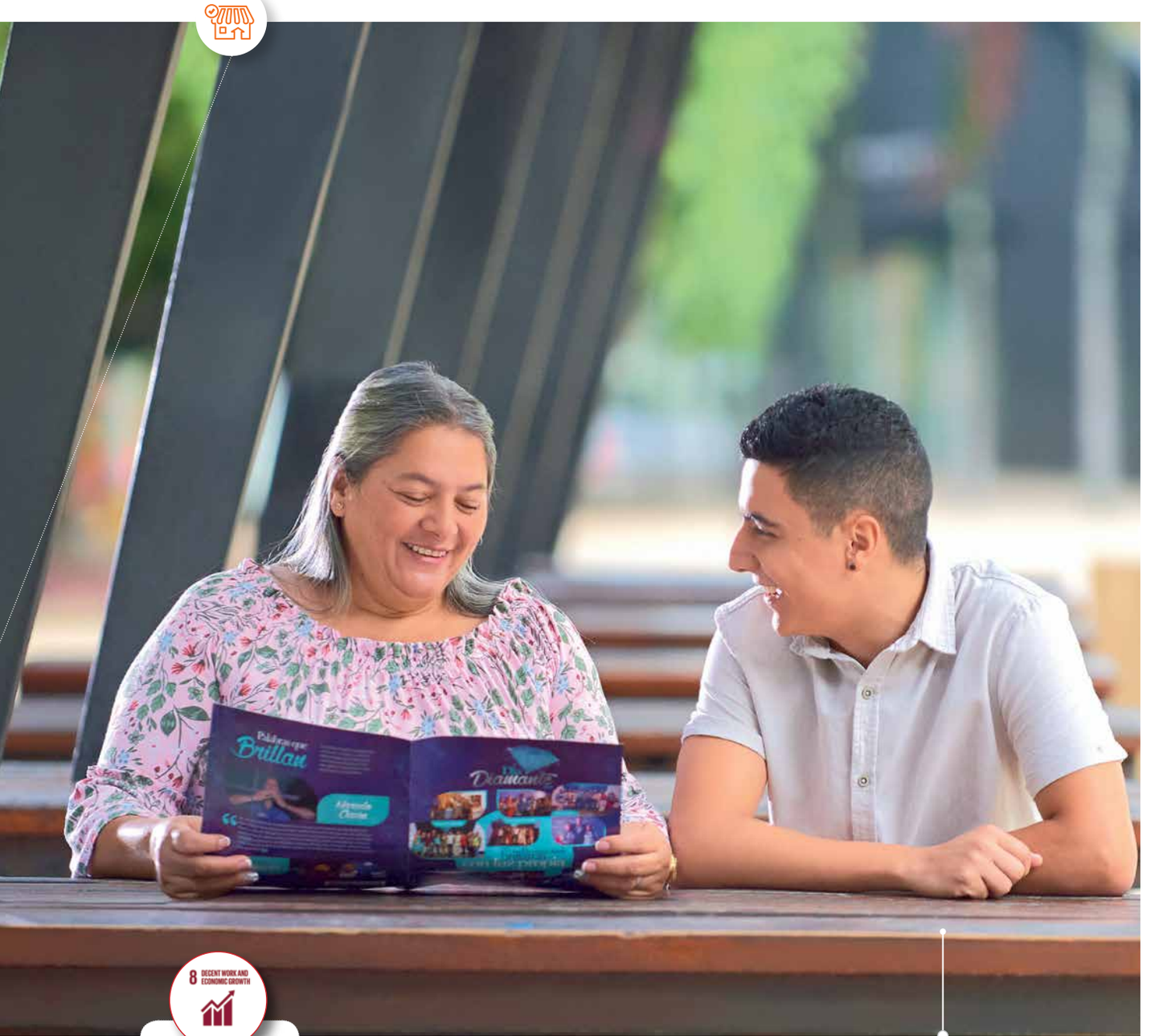
The Company provides Colombian education institutions with comprehensive support for the development and internalization of the school capabilities and for the promotion of healthy lifestyles. Kid from the Arroyo de Piedra education institution in Cartagena, Colombia.

Commitment to the SDGs

STRATEGY [GRI 103-2]	PROGRESS [GRI 103-3]
Consolidating an inclusive and diverse work culture that promotes the respect for Human Rights and good labor practices.	• **20 discussion conferences on Human Rights** led by the Strategic Human Rights Committee. • **200 employees** attended the first discussion panel titled "Transformando miradas" (Transforming perspectives), a conversational event focused on strengthening gender equality. • **223 people with disabilities were hired** by the Organization, 58 of them through a partnership with *Best Buddies*; and 34 people were hired under the "Alianza Soluciones" (Solutions Alliance) program, an initiative that supports the peace process in Colombia. • **14** collective agreements were signed with the union and collective bargaining organizations. • **Launch of the virtual course titled "Actúo Íntegramente Porque Respeto los Derechos Humanos" (I act with integrity because I respect the Human Rights),** with the participation of 58 suppliers and 972 employees, as well as a virtual course focused on strengthening gender equality, which included the participation of 650 employees.
Developing pedagogical, leadership and management capabilities among teachers and academic directors with the purpose of having a positive impact on the improvement of the learning process and boosting competitiveness and healthy lifestyles in the communities.	• **378 Colombian education institutions** benefited from the support provided to their comprehensive improvement process by the Organization. In this context, 97,5% of the institutions that completed the program maintained or improved their results in the countrywide standardized tests or in the Educational Quality Synthetic Index (abbreviated *ISCE* in Spanish). • **6.031 school kits were delivered** to Colombian kids to favor and promote their learning process and school continuity, and to foster healthy lifestyles. • **1.726 students from 68 Colombian education institutions** received support for the development of their capabilities in terms of healthy lifestyles.

MANAGING THE **VALUE CHAIN RESPONSIBLY**

Grupo Nutresa manages the comprehensive development of its employees to improve their productivity and quality of life. The Organization also includes social and environmental variables in the sourcing chain and strengthens the distribution network with sales channels that enable an adequate offer of its products in the market.



8 DECENT WORK AND ECONOMIC GROWTH

Commitment to the SDGs

Novaventa's individual entrepreneur, Colombia.

STRATEGY [GRI 103-2]	PROGRESS [GRI 103-3]
Promoting the comprehensive development of the human capital with the purpose of achieving the availability, commitment and productivity of the employees, ensuring top-level and broad capabilities and talents.	• **Talent promotion** with 582 vacant job opportunities, 358 internships, 3 marketplaces and 14 working cells. • **Development** of leadership capabilities among 1.508 employees. • **Consolidation** of the organizational climate measurement and management model. • **11.475** active volunteers, who allowed consolidating 17,866 community-focused actions.
Promoting safe and healthy work environments that contribute to the strengthening of a self-care culture and to the well-being and balance of all employees.	• **Mitigation of musculoskeletal risks** by means of the use of exoskeletons. • **Zero occupational illnesses** among employees who have been working for the Company for less than four years. • **887 attendees** to the Second Meeting of Contract Auditors. • **41 companies were audited in terms of sustainability,** with an average rating of 89.2% and an accident rate reduced to 2.67. • **651 employees** participated in mindfulness activities. • Increase in the accident frequency rate from 1.53 in 2018 to 1.66 in 2019.
Ensuring the continuity of the business, capitalizing opportunities and managing the risks that are not directly controlled by the Organization by incorporating economic, social and environmental variables in the management of the supply chain.	• **343 procurement initiatives implemented,** which allowed ensuring savings for more than **COP 88.9 billion.** • **Update of the environmental and social risks** for 76 categories of supplies and services. • **Publication** of the guide for environmental sustainability in livestock farming. • **39% improvement** in the sustainability assessment of the suppliers from the Exemplary Supplier program. • **Social support and assistance** to 2.062 producers and reinforcement of 32 associations of producers of coffee, milk, honey, cashew nuts and cocoa beans. • **Greater operation capacity** of *Gestión Cargo* for indirect supplies categories. • **Development of internal capabilities** for being granted the **authorized economic operator certification (*OEA*).**
Providing customers with differentiated value propositions that contribute to their growth, profitability and sustainability in order to harness value through their satisfaction and loyalty.	• **87.7 score in terms of satisfaction and 86.2 regarding loyalty in Colombia,** placing the Organization at levels of excellence. • **Strengthening of the customer service models** with a focus on agility, efficiency, flexibility and the alignment of needs. • **Environmental impact decrease** through the inclusion of five vehicles that run on cleaner energy sources, which allow reducing fuel consumption by 45%, and increase in the use of recyclable materials at the points of sale.

REDUCING THE ENVIRONMENTAL IMPACT OF THE OPERATIONS AND PRODUCTS

Grupo Nutresa works on increasing the eco-efficiency of its supply chain and on reducing the environmental impact of its products throughout their life cycle by means of a comprehensive water management, the implementation of the circular economy system and the reduction in emissions, energy consumption and packaging material consumption.

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

Commitment to the SDGs

Solar panels at the Chocolates Business's production plant in Rionegro, Colombia.

STRATEGY [GRI 103-2]	PROGRESS [GRI 103-3]
Minimizing the impact on air quality and contributing to the mitigation of and adaptation to climate change.	• **46,2% accumulated reduction in terms of greenhouse gases,** scopes 1 and 2, between 2010 and 2019 in Colombia, 6,4% accumulated reduction between 2018 and 2019 in Chile, Costa Rica, Mexico, Panama, Peru and the Dominican Republic. • **Preservation of the carbon neutral certification** for the Tosh brand in Colombia and Costa Rica, and the Livean and Zuko brands in Chile, thus offsetting 18.386 and 19.099 tons of C02 equivalent, accordingly. • **Carbon neutral re-certification** for the production plants of the Chocolates and Biscuits Businesses in Costa Rica.
Optimizing the energy intensity in the industrial, commercial, logistical and administrative operations, and migrating toward the use of cleaner energy sources.	• **-22,7% accumulated reduction in energy consumption** (kWh/t.p.) between 2010 and 2019 in the operations carried out in Colombia, and -2,4% accumulated reduction in the operations carried out in Mexico, Costa Rica, the Dominican Republic, Panama, Peru and Chile, with respect to 2018. • **98,5%** of the total fuel usage in the production plants in Colombia and **83,3%** in the production plants abroad **correspond to cleaner fuels.** • **25,6% of the total energy usage** of the operations in Mexico, Costa Rica, the Dominican Republic, Peru and Chile **corresponds to biomass.** In Colombia, it is equivalent to 14,4%.
Reducing the direct and indirect impact on the water resources across the entire value chain and mitigating the risks associated with shortage or deterioration situations related to the quality of the resources.	• **-31,4% accumulated reduction in terms of water consumption** between 2010 and 2019 in Colombia, which represents the early fulfillment of the goal set for 2020, and -5,6% accumulated reduction between 2018 and 2019 in Chile, Costa Rica, Mexico, Panama, Peru and the Dominican Republic. • **Implementation of the model focused on establishing the social and environmental value of the water resources,** which incorporates the external alterations in order to estimate the real price of water. • **In alliance with WWF, execution of the study on the risks of the livestock farming chain in Colombia,** which allowed consolidating strategic recommendations for the quality and efficient use of water in the primary production of beef.
Reducing waste generation and increasing waste recovery and reuse to lower the operating costs and mitigating the environmental impact.	• **-23,3% reduction in terms of waste generation per ton produced,** without WWT sludge between 2010 and 2019 in Colombia, and a -10,7% reduction between 2018 and 2019 in Chile, Costa Rica, Mexico, Panama, Peru and the Dominican Republic. • **89.2% recovery** and utilization of sludge-less WWTP waste in Colombia.
Offering a portfolio of more sustainable products throughout their life cycle through the design and inclusion of environmentally responsible packaging solutions.	• **77,5% of the tons of packaging material purchased** for the Businesses in Colombia corresponds to closed-cycle materials. • **The reduction in the consumption of packaging materials amounted to 2.629 tons** since 2013 under the Design-to-Value methodology. • **Creation of the *Packaging Material Eco-Design Manual*** to increase the recyclability and the cycle-closing process of the packaging materials.

FINANCIAL STATEMENTS

STOCK MARKET

CONSOLIDATED
FINANCIAL STATEMENTS

Statutory auditor's report on the consolidated financial statements

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

Opinion
I have audited the accompanying consolidated financial statements of Grupo Nutresa S. A., which include the consolidated statement of financial position at December 31, 2019, and the consolidated statements of comprehensive income, equity changes and cash flows for the year then ended, and the summary of the main accounting policies and other explanatory notes.

In my opinion, the accompanying consolidated financial statements, faithfully taken from the consolidation records, present fairly, in all material respects, the financial position of Grupo Nutresa S. A. at December 31, 2019, 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.

Basis for the opinion
I conducted my audit in accordance with the Auditing Standards on Financial Reporting accepted in Colombia. My responsibility under such standards is further described in the section concerning the "statutory auditor's responsibility for the audit of the consolidated financial statements" of this report.

I am independent of Grupo Nutresa S. A. in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), and the ethical requirements relevant to my audit of the consolidated financial statements in Colombia. I have fulfilled my other ethical responsibilities in accordance with the IESBA code and other ethical requirements.

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

Key audit matters
Key audit matters are those that, in my professional judgment, have been the most significant throughout my audit of the period's financial statements. Such matters have been addressed in the context of my audit of the financial statements as a whole, and in the preparation of my opinion on such financial statements; as such, I do not express a separate opinion on these matters

TO THE SHAREHOLDERS OF GRUPO NUTRESA

Key audit matter	Treatment of the key matter throughout the audit

Goodwill

Goodwill generated as a result of the various business combinations that the Group has completed in the countries in which it operates are an important part of the total assets of Grupo Nutresa S. A. At December 31, 2019, as detailed in Note 20, goodwill amounts up to $2,309,739 million.

To determine whether impairment exists, management of Grupo Nutresa S. A. performs an annual assessment, or they perform the assessment whenever there are changes in circumstances or events that would indicate the accounting value might not be fully recoverable.

As described in Notes 3.3.1 and 3.3.11, the determination of the recoverable value is achieved by calculating fair value less disposal costs for cash generating units associated to goodwill, based on the strategic plans approved by the Group's Board of Directors. Said determination is a key audit matter, because it corresponds to a complex calculation that requires the use of a high degree of judgment to estimate the key hypothesis, such as revenue growth, expenses, costs, the evolution of the operating margin, capex investment, discount rate, among others. Such hypotheses may be affected significantly by the future evolution of the macroeconomic, competitive and regulatory environments in each of the countries where Grupo Nutresa S. A. operates.

I have performed audit procedures in cooperation with valuation experts on the process carried out by management of Grupo Nutresa S. A. to determine the recoverable value of cash generating units associated to goodwill. The performed procedures include:

- Understanding meetings concerning the financial model used by management of Grupo Nutresa S. A. to determine the recoverable value of the cash generating units.
- Verification of consistency of the data used to calculate fair value less disposal costs based on the strategic plans approved by the Board of Directors of Grupo Nutresa S. A.
- Analysis of compliance with the strategic plans approved for the previous period.
- Evaluation of the key hypotheses used to determine the recoverable value, questioning their reasonability and coherence by carrying out tests to verify those hypotheses against market information.
- Review of the mathematical integrity of the calculation and sensitivity tests on the relevant variables.

TO THE SHAREHOLDERS OF GRUPO NUTRESA

Key audit matter	Treatment of the key matter throughout the audit

IFRS 16 implementation

Starting January 1, 2019, Grupo Nutresa S. A. implemented IFRS 16. The recognition of the right-of-use asset and the lease liability plays an important role in the total assets and liabilities of Grupo Nutresa S. A. At December 31, 2019, as detailed in Notes 18 and 24, right-of-use assets and the lease liabilities amount up to $878,552 million and $892,555 million, respectively.

As indicated in Notes 3.3.8 and 4, the implementation of IFRS 16 requires the determination of a discount rate, lease terms, and a dismantling provision associated to real estate. Such determinations are key audit matters because they involve the use of significant judgments by management of Grupo Nutresa S. A. to determine the discount rate; the time in which Grupo Nutresa S. A., acting as a lessee, expects to hold leases of goods, and the dismantling provision associated to real estate. Such judgments may change in the future due to the economic environment and the strategies of the Group.

- I have performed audit procedures on the process carried out by management of Grupo Nutresa S. A. to determine the discount rate and the terms over which they expect to hold leased goods. The performed procedures include:
- Understanding of the corresponding controls implemented by the Group's Management in association with IFRS 16.
- Meetings to understand the implementation process carried out by management of Grupo Nutresa S. A.
- Integral review of lease contracts signed by Grupo Nutresa S. A.
- Detailed review of a sample of lease contracts.
- Review of the current value of a sample of lease liabilities.
- Review of the depreciation of a sample of right-of-use assets.
- Understanding of the determination of lease terms established for leased goods.
- Understanding of the method used to determine the discount rate and review of the rate itself.
- Review of the dismantling provision associated to real estate.

TO THE SHAREHOLDERS OF GRUPO NUTRESA

Responsibilities of management and those charged with the governance in the Entity for the consolidated financial statements

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

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

Those charged with the governance in the Entity are responsible for overseeing its financial reporting process.

Statutory auditor's responsibility for the audit of the consolidated financial statements

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

As part of an audit in accordance with the Financial Reporting Audit Standards Accepted in Colombia, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

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

TO THE SHAREHOLDERS OF GRUPO NUTRESA

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my statutory auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

I communicate with those charged with the governance in the Entity regarding, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during my audit.

I have also provided those charged with the governance in the Entity with a statement indicating that I have complied with the applicable ethical requirements in relation to independence, and I have informed them about all relations that could reasonably be expected to affect my independence and, in case any arise, the corresponding safeguards.

Among the matters that have been communicated to those charged with the governance in the Entity, I have established the most significant during my audit of the consolidated financial statements for the current period as key audit matters. Such matters are described in my audit opinion, except for those that are legally or regulatorily non-disclosable or, in very rare instances, those that I determine should not be disclosed in my opinion, because it is reasonably expectable that the negative effects of doing so would outweigh the public interest benefits resulting from disclosure.

Other matters

The Group's consolidated financial statements for the year ended December 31, 2018 were audited by a different statutory auditor, appointed by PwC Contadores y Auditores Ltda., whom in a report dated February 22, 2019 issued an unqualified opinion on such statements. My opinion on this matter is unqualified.

(Original in Spanish signed by:)

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Certification of the Financial Statements

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

CERTIFY:

21 of February of 2020

We have previously verified all claims, herewith contained, in the Consolidated Financial Statements, at December 31st, 2019 and 2018, 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.

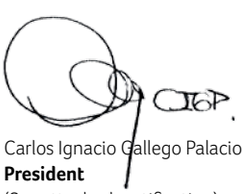
2. All realized economic transactions, have been recognized.

3. The assets represent rights, and liabilities represent obligations, obtained or under the responsibility of the Companies.

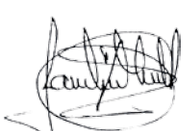
4. All elements have been recognized, in the appropriate amounts, and in accordance with the accounting norms and the financial information accepted in Colombia.

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
(See attached certification)



Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

Certification of the Financial Statements Law 964 of 2005

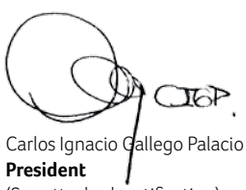
Gentlemen
Shareholders
Grupo Nutresa S.A.
Medellín

The undersigned Legal Representative of Grupo Nutresa S.A.

CERTIFIES:

21 of February of 2020

That the Consolidated Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2019 and 2018, 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 21nd day of the month of February of 2020.



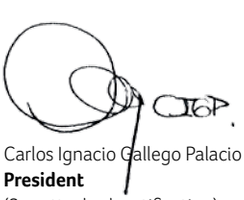
Carlos Ignacio Gallego Palacio
President
(See attached certification)

Consolidated Statement of Financial Position

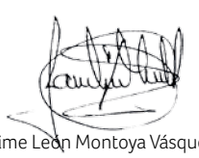
At December 31st of 2019 and 2018 (values expressed in millions of Colombian Pesos)

	Notes	December 2019	December 2018
ASSETS			
Current assets			
Cash and cash equivalents	9	$ 497.947	$ 347.520
Trade and other receivables, net	10	1.166.248	1.020.579
Inventories	11	1.248.128	1.109.878
Biological assets	12	96.632	94.569
Other assets	13	251.397	241.726
Non-current assets held for sale	14	2.610	6.777
Total current assets		$ 3.262.962	$ 2.821.049
Non-current assets			
Trade and other receivables, net	10	25.409	28.065
Investments in associated and joint ventures	15	193.360	192.795
Other financial non-current assets	16	3.511.768	3.322.694
Property, plant and equipment, net	17	3.400.057	3.376.364
Right-of-use assets	18	878.552	-
Investment properties	19	79.489	77.062
Goodwill	20	2.309.739	2.085.908
Other intangible assets	21	1.248.973	1.167.536
Deferred tax assets	22.4	654.496	379.753
Other assets	13	80.436	72.471
Total non-current assets		$ 12.382.279	$ 10.702.648
TOTAL ASSETS		$ 15.645.241	$ 13.523.697
LIABILITIES			
Current liabilities			
Financial obligations	23	527.196	522.302
Right-of-use liabilities	24	147.242	-
Trade and other payables	25	1.235.133	1.094.960
Tax charges	22.2	214.542	228.841
Employee benefits liabilities	26	191.864	165.833
Provisions	27	1.948	4.118
Other liabilities	28	29.912	26.676
Total current liabilities		$ 2.347.837	$ 2.042.730
Non-current liabilities			
Financial obligations	23	2.680.014	2.265.743
Right-of-use liabilities	24	745.313	-
Trade and other payables	25	158	158
Employee benefits liabilities	26	189.295	175.036
Deferred tax liabilities	22.4	984.035	704.763
Provisions	27	13.238	-
Other liabilities	28	487	536
Total non-current liabilities		$ 4.612.540	$ 3.146.236
TOTAL LIABILITIES		$ 6.960.377	$ 5.188.966
SHAREHOLDER EQUITY			
Share capital issued	30.1	2.301	2.301
Paid-in-capital	30.1	546.832	546.832
Reserves and retained earnings	30.2	3.802.402	3.552.827
Other comprehensive income, accumulated	31	3.770.027	3.683.175
Earnings for the period		506.388	505.308
Equity attributable to the controlling interest		$ 8.627.950	$ 8.290.443
Non-controlling interest	30.4	56.914	44.288
TOTAL SHAREHOLDER EQUITY		$ 8.684.864	$ 8.334.731
TOTAL LIABILITIES AND EQUITY		$ 15.645.241	$ 13.523.697

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



Carlos Ignacio Gallego Palacio
President
(See attached certification)



Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

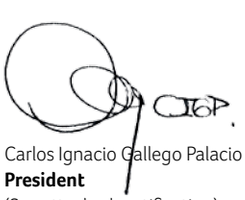
Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Consolidated Comprehensive Income Statement

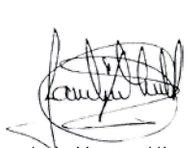
At December 31st of 2019 and 2018 (values expressed in millions of Colombian Pesos)

	Notes	2019	2018
Continuing operations			
Operating revenue	**7.1**	**$ 9.958.851**	**$ 9.016.066**
Cost of goods sold	32	**(5.565.300)**	(4.969.218)
Gross profit		**$ 4.393.551**	**$ 4.046.848**
Administrative expenses	32	**(467.302)**	(406.057)
Sales expenses	32	**(2.829.943)**	(2.651.071)
Production expenses	32	**(162.851)**	(146.966)
Exchange differences on operating assets and liabilities	34	**23.661**	(4.260)
Other operating incomes, net	33.1	**2.505**	10.802
Operating profit		**$ 959.621**	**$ 849.296**
Financial income	35.1	**22.294**	15.457
Financial expenses	35.2	**(302.303)**	(247.304)
Dividends	16	**61.516**	58.851
Exchange differences on non-operating assets and liabilities	34	**(4.460)**	23.113
Share of profit of associates and joint ventures	15	**(2.268)**	(400)
Other income, net		**714**	5.202
Income before tax and non-controlling interest		**$ 735.114**	**$ 704.215**
Current income tax	22.3	**(207.877)**	(164.423)
Deferred income tax	22.3	**2.656**	(24.901)
Profit after taxes from continuous operations		**$ 529.893**	**$ 514.891**
Discontinued operations, after income tax	36	**(16.452)**	(6.135)
Net profit for the period		**$ 513.441**	**$ 508.756**
Profit for the period attributable to:			
Controlling interest		**506.388**	505.308
Non-controlling interest		**7.053**	3.448
Net profit for the period		**$ 513.441**	**$ 508.756**
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian pesos)		**1.100,55**	1.098,20
(*) Calculated on 460.123.458 shares, which have not been modified during the period covered by these Financial Statements.			
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit and loss:			
Actuarial losses on defined benefit plans	26-31	**(19.195)**	(1.487)
Equity instruments, measured at fair value	16-31	**186.697**	(871.316)
Income tax from items that will not be reclassified	31	**6.576**	(1.863)
Total items that are not subsequently reclassified to profit and loss		**$ 174.078**	**$ (874.666)**
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of associate and joint ventures	15-31	**746**	1.301
Exchange differences on translation of foreign operations	31	**(56.199)**	8.781
Cash flow hedges		**(9.096)**	7.960
Income tax from items that will be reclassified	31	**1.651**	(3.009)
Total items that are or may be subsequently reclassified to profit and loss:		**$ (62.898)**	**$ 15.033**
Other comprehensive income, net taxes		**$ 111.180**	**$ (859.633)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ 624.621**	**$ (350.877)**
Total comprehensive income attributable to:			
Controlling interest		**619.993**	(353.371)
Non-controlling interest		**4.628**	2.494
TOTAL COMPREHENSIVE INCOME		**$ 624.621**	**$ (350.877)**

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



Carlos Ignacio Gallego Palacio
President
(See attached certification)



Jaime León Montoya Vásquez
General Accountant T.P. 45056-
(See attached certification)

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

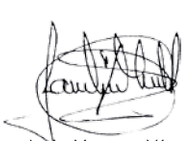
Consolidated Exchange in Equity Statement

From January 1st December 31st of 2019 and 2018 (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
Equity 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**
Profit for the period				506.388		**506.388**	7.053	**513.441**
Other comprehensive income for the period					113.605	**113.605**	(2.425)	**111.180**
Comprehensive income for the period	**-**	**-**	**-**	**506.388**	**113.605**	**619.993**	**4.628**	**624.621**
Transfer to accumulated results			505.308	(505.308)		**-**		**-**
Cash dividends (Note 30.3-30.4)			(281.596)			**(281.596)**	(4.031)	**(285.627)**
Acquisition of subsidiaries						**-**	12.061	**12.061**
Reclassifications			26.748		(26.748)			
Other equity movements			(885)		(5)	**(890)**	(32)	**(922)**
Equity at December 31st of 2019	**2.301**	**546.832**	**3.802.402**	**506.388**	**3.770.027**	**8.627.950**	**56.914**	**8.684.864**
Equity 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 impairment provision			(5.277)			**(5.277)**		**(5.277)**
Balance at January 1st, 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)**
Transfer to accumulated results			420.207	(420.207)		**-**		**-**
Cash dividends (Note 30.3-30.4)			(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**
Equity 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**

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

Carlos Ignacio Gallego Palacio
President
(See attached certification)



Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Consolidated Cash-flow Statement

From January 1st December 31st of 2019 and 2018 (values expressed in millions of Colombian Pesos)

	2019	2018
Cash flow from operating activities		
Collection from sales of goods and services	9.807.576	8.935.188
Payments to suppliers for goods and services	(6.868.916)	(6.342.582)
Payments to and on behalf of employees	(1.660.668)	(1.599.418)
Income taxes and tax on wealth, paid	(199.044)	(112.855)
Other cash outflows	(46.565)	(37.311)
Net cash flow from operating activities	**$ 1.032.383**	**$ 843.022**
Cash flow from investment activities		
Cash and cash equivalents received from acquisitions	839	2.649
Purchase/sale of other equity instruments	(2.425)	(63.950)
Purchases of equity of associates and joint ventures (Note 15)	(2.730)	(12.094)
Purchases of property, plant and equipment (Note 17)	(254.495)	(234.780)
Amounts from the sale of productive assets	11.576	28.640
Purchase of Intangibles and other productive assets	(37.918)	(18.181)
Investment / divestment in assets held for sale, net	-	54
Dividends received (Note 16)	61.284	50.538
Interest received	11.270	11.101
Payments to third parties, to obtain control of subsidiaries	(423.507)	(3.221)
Other cash (outflows) inflows	(117)	30
Net cash flow used in investment activities	**$ (636.223)**	**$ (239.214)**
Cash flow from financing activities		
Proceeds from (used in) loans	407.278	(223.643)
Dividends paid (Note 30.3)	(279.660)	(247.668)
Interest paid	(179.349)	(198.915)
Paid leases	(151.099)	-
Fees and other financial expenses	(37.590)	(34.377)
Other cash inflows	5.752	9.165
Net cash flow used in financing activities	**$ (234.668)**	**$ (695.438)**
Increase (decrease) in cash and cash equivalent from activities	**$ 161.492**	**$ (91.630)**
Cash flow from discontinued operations	(8.776)	(1.087)
Net foreign exchange differences	(2.289)	4.594
Net increase (decrease) in cash and cash equivalents	**$ 150.427**	**$ (88.123)**
Cash and cash equivalents at the beginning of the period	347.520	435.643
Cash and cash equivalents at the end of the period	**$ 497.947**	**$ 347.520**

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

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-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:

	2019	2018
Operating earnings	**959.621**	**849.296**
Depreciation and amortization (Note 32)	274.951	276.472
Right-of-use assets, depreciation and amortization (Note 32)	118.523	-
Unrealized exchange differences from operating assets and liabilities (Note 34)	(5.866)	654
EBITDA (See details by segment in Note 7.2)	**1.347.229**	**1.126.422**

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

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

Opinion
I have audited the accompanying separate financial statements of Grupo Nutresa S. A., which include the separate statement of financial position at December 31, 2019, and the separate statements of comprehensive income, equity changes and cash flows for the year then ended, as well as the summary of the main accounting policies and other explanatory notes.

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, 2019, 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.

Basis for the opinion
I conducted my audit in accordance with the Auditing Standards on Financial Reporting accepted in Colombia. My responsibility under such standards is further described in the section concerning the "statutory auditor's responsibility for the audit of the financial statements" of this report.

I am independent of Grupo Nutresa S. A. in accordance with the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA), and the ethical requirements relevant to my audit of the consolidated financial statements in Colombia. I have fulfilled my other ethical responsibilities in accordance with the IESBA code and other ethical requirements.

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

Responsibilities of management and those charged with governance in the Entity for the separate financial statements
Management is responsible for the preparation and fair presentation of the separate financial statements, in accordance with the Accounting and Financial Reporting Standards Accepted in Colombia, and for such internal control as management determines necessary to enable the preparation of separate financial statements that are free from material misstatements, whether due to fraud or error.

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

Those charged with governance in the Entity are responsible for supervising its financial reporting process.

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

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

As part of an audit in accordance with the Financial Reporting Audit Standards Accepted in Colombia, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the separate financial statements, whether due to fraud or error; design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubts on the Entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my statutory auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my statutory auditor's report. However, future events or conditions may cause the Entity to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

I communicate with those charged with the governance in the Entity regarding, among other things, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control identified during my audit.

I have also provided those charged with the governance in the Entity with a statement indicating that I have complied with the applicable ethical requirements in relation to independence, and I have informed them about all relations that could reasonably be expected to affect my independence and, in case any arise, the corresponding safeguards.

Report on other legal and regulatory requirements
Management is responsible for compliance with certain regulatory requirements in Colombia, related to the handling of accounting documentation, the preparation of management reports, and the timely and appropriate payment of contributions to the Integral Social Security System, as well as for the implementation of a System to Prevent and Control the Risk of Money Laundering and Terrorism Financing. My responsibility as statutory auditor in these matters is to perform review procedures to issue an opinion on their due compliance.

With the above in mind, in my opinion:

a. The Company's accounting records for the year ended December 31, 2019 have been kept in conformity with the 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 administration report prepared by 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, 2019, the Company is not in arrears regarding payment of contributions to the Integral Social Security System.
e. The Entity has implemented the System to Prevent and Control the Risk of Money Laundering and Terrorism Financing, in accordance with that established in External Circular 062 of 2007, issued by the Superintendency of Finance.

TO THE SHAREHOLDERS OF GRUPO NUTRESA S. A.

In compliance with the statutory auditor's responsibilities stated in items 1 and 3 of Article 209 of the Colombian Code of Commerce, in relation to the assessment on whether the acts of the Entity'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 Entity's assets or those of third parties in its possession are in place, I have issued a separate report dated February 21, 2020.

Other matters

The Entity's separate financial statements for the year ended December 31, 2018 were audited by a different statutory auditor, appointed by PwC Contadores y Auditores Ltda., whom in a report dated February 22, 2019 issued an unqualified opinion on such statements. My opinion on this matter is unqualified.

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Certification of the Financial Statements

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

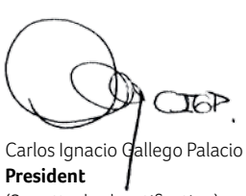
CERTIFY:

21 of February of 2020

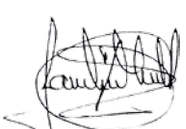
We have previously verified all claims, herewith contained, in the Consolidated Financial Statements, at December 31, 2019 and 2018, according to, the regulations, and the same that have been faithfully taken, from the Financial Statements of the Parent Company, and its subsidiaries, duly certified and 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 Financial Information Norms, applicable 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
(See attached certification)



Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

Certification of the
Financial Statements
Law 964 of 2005

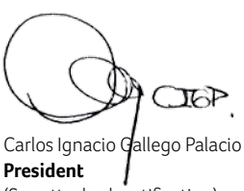
Gentlemen
Shareholders
Grupo Nutresa S.A.
Medellín

The undersigned Legal Representative of Grupo Nutresa S.A.

CERTIFIES:

21 of February of 2020

That the Consolidated Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2019 and 2018, 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 21st day of the month of February of 2020.



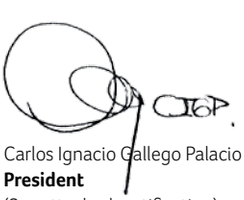
Carlos Ignacio Gallego Palacio
President
(See attached certification)

Separate Financial Position Statement

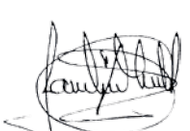
At December 31st, 2019 and 2018 (values expressed in millions of Colombian Pesos)

	Notes	2019	2018
ASSETS			
Current assets			
Cash and cash equivalents		$ 54	$ 1.086
Trade and other accounts receivables	5	25.733	14.608
Other assets	6	150	1.131
Total current assets		$ 25.937	$ 16.825
Non-current assets			
Trade and other accounts receivables	5	565	567
Investments in subsidiaries	7	5.167.033	4.991.464
Investments in associated	8	150.658	150.606
Other financial non-current assets	9	3.497.287	3.322.470
Deferred tax assets	10.4	1.847	1.412
Right-of-use assets		104	-
Other assets	6	6	9
Total non-current assets		$ 8.817.500	$ 8.466.528
TOTAL ASSETS		$ 8.843.437	$ 8.483.353
LIABILITIES			
Current liabilities			
Trade and other account payables	11	89.014	74.322
Income tax and other taxes, payable	10.2	877	495
Employee benefits liabilities	12	1.880	745
Right-of-use liabilities		98	-
Total current liabilities		$ 91.869	$ 75.562
Non-current liabilities			
Trade and other accounts payables	11	158	158
Employee benefits liabilities	12	1.737	1.503
Deferred tax liabilities	10.4	6.582	8.239
Other liabilities		-	301
Right-of-use liabilities		10	-
Total non-current liabilities		$ 8.487	$ 10.201
TOTAL LIABILITIES		$ 100.356	$ 85.763
EQUITY			
Share capital issued	13.1	2.301	2.301
Paid-in-capital	13.1	546.832	546.832
Reserves	13.2	4.144.250	3.915.685
Retained earnings	13.2	3	3
Other comprehensive income, accumulated	14	3.535.797	3.422.608
Earnings for the period		513.898	510.161
TOTAL EQUITY		$ 8.743.081	$ 8.397.590
TOTAL LIABILITIES AND EQUITY		$ 8.843.437	$ 8.483.353

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



Carlos Ignacio Gallego Palacio
President
(See attached certification)



Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

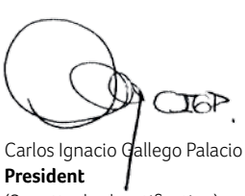
Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Separate Comprehensive Income Statement

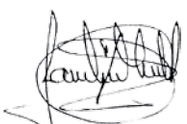
From January 1st to December 31st (values expressed in millions of Colombian Pesos)

	Notes	2019	2018
Operating Income		$ 515.139	$ 515.387
Portfolio dividends	9	61.493	57.649
Share of profit, for the period of subsidiaries	7	456.219	459.115
Share of profit, for the period of associates	8	(2.573)	(1.377)
Gross profit		$ 515.139	$ 515.387
Administrative expenses	15	(5.085)	(3.771)
Exchange differences on operating assets and liabilities		1	(3)
Other operating income, net		2.744	2.094
Operating profit		$ 512.799	$ 513.707
Financial income		2.601	4
Financial expenses		(1.257)	(1.152)
Exchange differences on non-operating assets and liabilities		19	-
Income before tax		$ 514.162	$ 512.559
Current income tax	10.3	(561)	(181)
Deferred income tax	10.3	297	(2.217)
Net profit for the period		$ 513.898	$ 510.161
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian Pesos)	16	1.116,87	1.108,75
(*) Calculated on 460,123,458 shares, which have not been modified during the period covered by these Financial Statements.			
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit or loss:			
Actuarial (losses)/gains of defined benefit plans	12.1	(5.879)	1.102
Equity investments measured at fair value	9	186.697	(803.165)
Income tax from items that will not be reclassified		1.764	(523)
Total items that are not subsequently reclassified to profit or loss		$ 182.582	$ (802.586)
Items that may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of subsidiaries	7	(69.319)	(59.701)
Share of other comprehensive income of associates	8	(105)	(458)
Income tax from items that will be reclassified		31	137
Total items that are or may be subsequently reclassified to profit and loss:		$ (69.393)	$ (60.022)
Other comprehensive income, net taxes		$ 113.189	$ (862.608)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		$ 627.087	$ (352.447)

The Notes are an integral part of the Separate Financial Statements



Carlos Ignacio Gallego Palacio
President
(See attached certification)



Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
(See attached certification)

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-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, 2018	**2.301**	**546.832**	**3.915.685**	**3**	**510.161**	**3.422.608**	**8.397.590**
Profit for the period	-	-	-	-	513.898	-	**513.898**
Other comprehensive income for the period	-	-	-	-	-	113.189	**113.189**
Comprehensive income for the period	**-**	**-**	**-**	**-**	**513.898**	**113.189**	**627.087**
Transfer to income, in prior years	-	-	-	510.161	(510.161)	-	**-**
Cash dividends (Note 13.3)	-	-	(281.596)	-	-	-	**(281.596)**
Appropriation of reserves	-	-	510.161	(510.161)	-	-	**-**
Balance at December 31st, 2019	**2.301**	**546.832**	**4.144.250**	**3**	**513.898**	**3.535.797**	**8.743.081**
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 accumulated results	-	-	-	430.279	(430.279)	-	**-**
Cash dividends (Note 13.3)	-	-	(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**

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

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Jaime León Montoya Vásquez
General Accountant T.P. 45056-T
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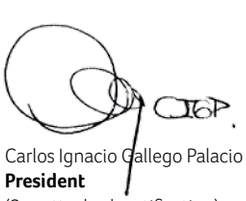
(See attached opinion)

Separate Cash-flow Statement

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

	2019		2018
Cash flow from operating activities			
Dividends received (Note 7 – 9)	314.594		332.996
Dividends paid (Note 13.3)	(275.537)		(256.194)
Collection from goods and services	2.750		2.073
Payments to suppliers for goods and services	(1.253)		(2.042)
Payments to and on behalf of employees	(11.673)		(21.257)
Income taxes on reimbursed (paid) gains	7		(317)
Other cash inflows	4.002		15.627
Net cash flow from operating activities	32.890	$	**70.886**
Cash flows from investing activities			
Purchases of equity of associates and joint ventures (Note 8)	(2.730)		(3.000)
Payments to third parties, to obtain control of subsidiaries (Note 7)	(42.952)		(3.221)
Purchases and sales of other equity instruments (Note 9)	11.880		(63.950)
Other cash inflows	7		35
Net cash flows used in investment activities	(33.795)	$	**(70.136)**
Cash flow from financing activities			
Leases paid	(99)		-
Interest paid	(1)		(46)
Other cash outflows	(46)		(82)
Net cash flow used in financing activities	(146)	$	**(128)**
Increase in cash and cash equivalents from activities	(1.051)	$	**622**
Net foreign exchange differences	19		(1)
Net increase in cash and cash equivalents	(1.032)	$	**621**
Cash and cash equivalents, at the beginning of the period	1.086		465
Cash and cash equivalents at the end of the period	54	$	**1.086**

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



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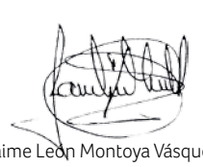

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(See attached opinion)

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 21, 2020

Description of the main matter
In the development of my duties as the 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, 2019, 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 by 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 assurance work to issue an opinion, based on the executed procedures and the obtained evidence, on whether the actions of the Company's management adjust to the bylaws, orders and instructions of the Shareholders' Meeting, and on whether there are proper internal control measures 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 21, 2020

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 Tuesday, December 31, 2019, 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 accountancy firm that I am a part of, and that appointed me as the statutory auditor of the Company, applies International Quality Control Standard 1, and, as a result, it 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
The above mentioned audit standards require that I plan and execute assurance procedures to obtain reasonable assurance that the internal controls implemented by the Company are properly designed and operate effectively. The assurance procedures selected depend on the statutory auditor's judgement, including assessment of the risk of material misstatement in the financial statements due to fraud or error, and that the Company fails to achieve an adequate level of efficiency and efficacy in its operations. The procedures performed included selective tests on the design and effective operation of controls that I considered necessary in the circumstances to provide a reasonable assurance that the control objectives determined by the Company's management are adequate.

The assurance procedures performed were as follows:

- Review of the Company's bylaws, the minutes of the Shareholders' Meeting and other supervision bodies, in order to verify proper compliance by the Company's management with those bylaws and with the decisions made 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 21, 2020

- 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 2019, 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:)

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores Ltda.
(See attached opinion)

Grupo Nutresa is celebrating its first **100th anniversary** and, as part of this celebration, we would like to give Colombia a memorable present: **we will plant one million trees.** We are decided to contribute to conserving the water resources in strategic areas of the country, restoring degraded zones, protecting biodiversity and developing capabilities among the communities for the preservation of natural resources.

This is how we keep building A Future Together

100 YEARS | Grupo nutresa | A FUTURE TOGETHER