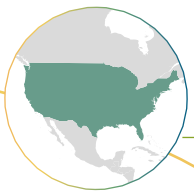
Grupo nutresa

We are
A Future Together

Integrated Report
2021

Presence in our strategic region

[GRI 2-1] [GRI 2-6] [GRI 2-7]



United States
2021: 11,4%
2020: 11,8%
Production plants: 2

Mexico
2021: 3,0%
2020: 2,8%
Production plants: 2

Central America
2021: 10,2%
2020: 10,2%
Production plants: 6

Dominican Republic and the Caribbean
2021: 1,9%
2020: 1,7%
Production plants: 1

Colombia
2021: 61,1%
2020: 60,1%
Production plants: 29

Venezuela
Production plants: 1

Ecuador
2021: 1,3%
2020: 1,4%

Peru
2021: 2,0%
2020: 2,2%
Production plants: 1

Chile
2021: 6,4%
2020: 7,2%
Production plants: 4

Malaysia*
Production plants: 1

* This operation is not consolidated in the Business total as its market share is less than 50%.

Philippines
South Africa
Other
2021: 2,7%
2020: 2,7%

Distribution and sales

Cold Cuts
Biscuits
Chocolates
Coffee
Tresmontes Lucchetti
Retail Food
Ice Cream
Pastas
Other
Production
Distribution
Services

17
Countries where Grupo Nutresa has a distribution network and production plants

47
Production plants

Shareholding structure

As of December 31, 2021.

12.574
Shareholders

Source: Deceval.

35,7% GRUPO SURA

9,9% GRUPO ARGOS

21,9% Colombian funds

6,3% International funds

26,2% Other investors

Market share

Source: Nielsen.

In Colombia**

53,7%

Grupo Nutresa's consolidated market share in Colombia

Chocolate confectionery	70,5%
Cold cuts	57,5%
Hot chocolates	55,8%
Pastas	53,3%
Biscuits	50,6%
Ground coffee	50,7%
Nuts	42,5%
Soluble coffee	37,4%
Milk modifiers	34,1%

In Chile

PDMP*	61,0%
Pastas	28,6%
Coffee	15,3%
Potato chips	15,1%

In Mexico

PDMP*	33,9%

*Powdered drink mix products

#1 In the hamburger restaurant categories in Colombia.
In ice cream shops in Costa Rica and the Dominican Republic.

** 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. Does not include institutional and wholesaler channels.

Corporate structure [GRI 2-6]

Grupo nutresa

- Comercial nutresa
- novaventa
- La Recetta / ATLANTIC Food Service
- International sales and distribution network
- Servicios nutresa

Business model

Our people
Grupo Nutresa promotes participative environments, the development of skills focused on both being and doing, the acknowledgment of achievements, the strengthening of leadership and a balanced lifestyle for our people.

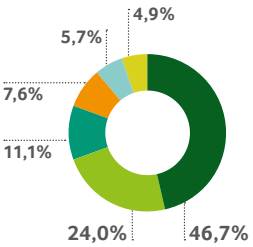
Our brands
Grupo Nutresa's brands are leaders in the markets where the Company participates as they are widely recognized and cherished; they nourish, generate well-being and have become a part of people's daily lifestyle, with the best price-value ratio.

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

Main risks of our business model

- Volatility in commodity prices and exchange rates.
- Changes in the regulations related to both nutrition and health.
- Negative impact of a highly competitive environment on the Businesses.

Grupo Nutresa's sales by channel



- Traditional channel (mom-and-pop shops and minimarkets)
- Supermarket chains
- Alternative channel (catalog sales and vending machines)
- Retail Food Business
- Institutional channel
- Industrial channel

Direct employees, third-party employees and apprentices 47.199

(Direct employees, third-party employees and apprentices)

(Direct employees and apprentices)

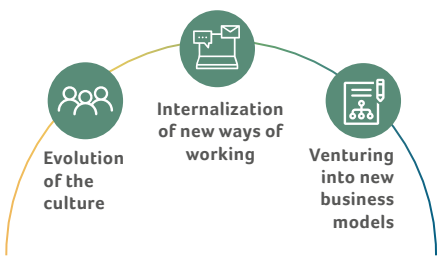
Clients
1.540.189

Points of sale
1.286.022

Novaventa's Entrepreneurs
254.167

Digital transformation

Corporate ability to contribute to the Organization's sustainability by means of:



Supported on technologies, improving sales, the experience and the competitiveness.

Grupo nutresa

2030 OBJECTIVE

DOUBLING OUR REVENUES FROM 2020 TO 2030

With returns higher than the cost of capital

Grupo Nutresa's strategy is focused on doubling by 2030 the sales achieved in 2020, obtaining greater returns than the cost of capital used.

To achieve this goal, the Company offers food products and experiences from highly recognized and beloved brands to the consumers. Grupo Nutresa's products nourish, generate well-being and pleasure, have the best price-value ratio, are widely available in the strategic region, and are managed by talented, innovative, productive, committed and responsible people within a framework of sustainable development.

Results achieved in 2021

Consolidation of our commitments for 2030

People who received training to fight money laundering, terrorism financing and the financing of the proliferation of weapons of mass destruction
2021: 30.455

Products processed in certified centers
2021: 91,8%

Contribution by leading brands to the sales growth
2021: 53,9%

Sales
(stated in COP millions)
2021: 12.738

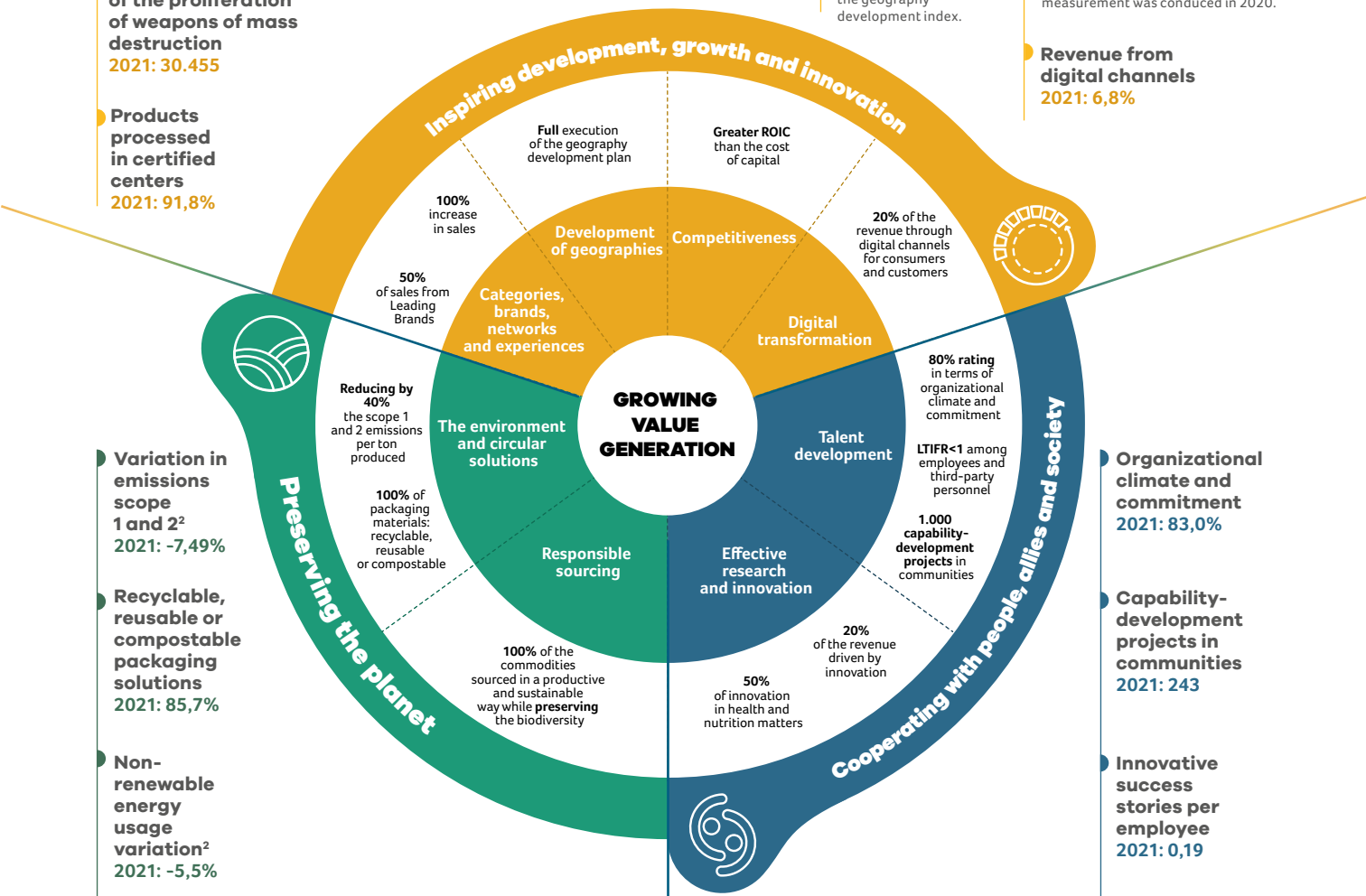
ROIC
2021: 9,1%

Execution of the geography plan
2021: 100% compliance
achieving 42,9 of the geography development index.

Customer satisfaction index
2021 - Colombia: 89%
2021 - Abroad: 89,5%[1]

[1] The latest international satisfaction measurement was conducted in 2020.

Revenue from digital channels
2021: 6,8%



Variation in emissions scope 1 and 2[2]
2021: -7,49%

Recyclable, reusable or compostable packaging solutions
2021: 85,7%

Non-renewable energy usage variation[2]
2021: -5,5%

Variation in water usage[2]
2021: 1.85%

Renewable electric power usage
2021: 86,4%

Supplies sourced in a productive and sustainable way
2021: 49%

Local sourcing
2021: 80,2%

Investment in environmental management
(stated in COP millions)
2021: 31.071

Employees' LTIFR
2021: 3,60

Third party employees' LTIFR
2021: 6,42

Innovation in health and nutrition
2021: 37,1%

Investment in communities
(stated in COP millions)
2021: 159.656

Organizational climate and commitment
2021: 83,0%

Capability-development projects in communities
2021: 243

Innovative success stories per employee
2021: 0,19

Investment in quality of life
(stated in COP millions)
2021: 137.772

Innovation-driven revenue
2021: 17,2%

[2] With regard to the 2020 baseline per ton produced.

Member of
Dow Jones Sustainability Indices
Powered by the S&P Global CSA

Sustainability Award
Gold Class 2022
S&P Global

GRI COMMUNITY MEMBER 2022

bvc Emisor 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 2-6]

▲ Increased
▼ Decreased

	Cold Cuts	Biscuits	Chocolates	Coffee	Tresmontes Lucchetti	Retail Food	Ice Cream	Pastas	Other
Total sales COP thousand million	**2.356** 2.145	**2.249** 2.224	**1.965** 1.737	**1.883** 1.591	**1.203** 1.117	**964** 660	**575** 483	**426** 405	**1.117** 766
2021 / 2020	▲ 9,8%	▲ 1,1%	▲ 13,1%	▲ 18,3%	▲ 7,6%	▲ 46,0%	▲ 19,2%	▲ 5,4%	▲ 46,0%
EBITDA COP thousand million	**227** 284	**205** 301	**263** 232	**225** 218	**148** 145	**225** 83	**90** 78	**61** 63	**89** 40
2021 / 2020	▼ -20,0%	▼ -32,0%	▲ 13,0%	▲ 3,2%	▲ 2,0%	▲ 172,0%	▲ 15,5%	▼ -2,6%	▲ 122,0%
Margin 2021 / 2020	9,6% / 13,2%	9,1% / 13,5%	13,4% / 13,4%	11,9% / 13,7%	12,3% / 13,0%	23,3% / 12,5%	15,6% / 16,1%	14,3% / 15,5%	8,0% / 5,3%
Sales in Colombia COP thousand million	**2.141** 1.929	**1.081** 1.026	**1.156** 1.048	**788** 660		**660** 437	**575** 483	**420** 400	**957** 709
2021 / 2020	▲ 11,0%	▲ 5,4%	▲ 10,3%	▲ 19,4%	N/A	▲ 51,1%	▲ 19,2%	▲ 5,0%	▼ 35,0
Volume 2021 / 2020	5,1% / 5,9 %	-2,2% / 1,5%	2,9% / 2,0%	12,6% / -3,6%		N/A	16,6% / -6,8%	-0,5% / 4,7%	26,0% / 48,6%
Price 2021 / 2020	5,6% / 5,0 %	7,7% / 3,2%	7,3% / 1,7%	6,0% / 3,7%			2,3% / 8,9%	5,6% / 12,4%	7,2% / 8,6%
Sales abroad USD million	**57** 59	**311** 324	**215** 187	**321** 301	**292** 251	**81** 61		**1,6** 1,1	**42** 15
2021 / 2020	▼ -2,2%	▼ -3,8%	▲ 14,9%	▲ 16,3%	▲ 6,5%	▲ 32,4%	N/A	▲ 37,5%	▲ 175,8%

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

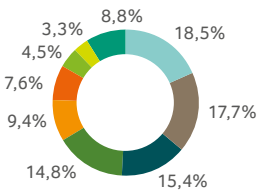
Total sales COP thousand million
12.738 2020: 11.128 — Growth ▲ 14,5%

EBITDA COP thousand million
1.532 2020: 1.444 — Growth ▲ 6,2% — Margin 2021 **12,0%** — Margin 2020 13,0%

Sales in Colombia COP thousand million
7.779 2020: 6.691 — Growth ▲ 16,3% — Percentage of total sales **61,1%** — Volume 2021 **4,4%** — Price 2021 **11,4%** — Volume 2020 4,4% — Price 2020 6,2%

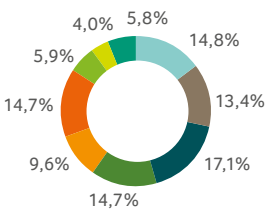
Sales abroad USD million
1.322 2020: 1.200 — Growth ▲ 10,2% — Percentage of total sales **38,9%**

Sales percentage by Business



- Cold Cuts
- Biscuits
- Chocolates
- Coffee
- TMLUC
- Retail Food
- Ice Cream
- Pastas
- Other

EBITDA percentage by Business



Sales of innovative products

(% on total sales)

17,2%

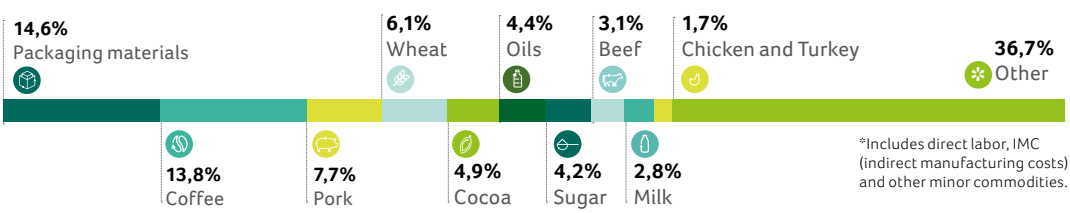
2020: 19,6%
2019: 23,0%

Growth of exports from Colombia in USD

16,4%

Diversification of commodities

Production cost %



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

Find further information at http://informe2021.gruponutresa.com/pdf/informe_2021.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 social, environmental and economic performance, please read the Report prepared by the independent limited assurance auditor along with this publication. Such Report can be found on this website:

https://data.gruponutresa.com/informes/Informe_auditor_independiente_2021-Grupo_Nutresa.pdf

KPMG Advisory, Tax & Legal S.A.S. | March 2022

Scan for more information

We Are **A Future Together**

Grupo Nutresa works on a daily basis on its higher purpose: Building a better world where development benefits everyone. This purpose defines what we are, our essence and commitment to people, our planet and prosperity.

The following are some of the stories of our stakeholders.

Sandra and Orlando: lives that give sense to what we do

We are Talent Development
Human talent is the force that moves Grupo Nutresa. To connect the Organization's higher purpose with the purpose of each one of its employees is a horizon that inspires the enhancement of this capability.

Managing the care for life, consolidating the adaptive, inclusion-driven and aware leadership, and promoting self-development are strategic initiatives of the Talent Development Capability.

Orlando Vera has been working for 27 years at Tresmontes Lucchetti in Chile. He is an empathic man who fulfills his auditing responsibilities with the inspiration of his deep devotion for service.

To arrive at the production plant, Orlando has to complete a commute of almost two hours using public transport. During the most critical months of the COVID-19 pandemic, this commute started causing him profound fears, leaving him with almost no desire to go to work despite his responsibility derived from the fact of being part of a company that supplies food. Orlando was afraid of getting the virus and spreading the disease within his family, of course with the worst consequences in mind.

"On the Organization's website, I saw that they were offering psychological assistance, and so I took it. The therapist told me that there was a 20% chance that I'd get the virus, but that there was also an 80% chance I wouldn't if I did my part by taking self-care measures," he says.

"Talent development consists in attracting, developing and taking care of people to tackle the challenges while connecting their purposes with Grupo Nutresa's higher purpose. This capability adds value to the dimension titled "Cooperating with people, our allies and society" by always prioritizing the well-being of our employees," explains Damaris Giraldo from Grupo Nutresa.

Orlando recovered his enthusiasm, as well as his passion for work, and he reinforced his confidence: "The best thing I have drawn from the pandemic are the conversations I'd had with the psychologist," he assures.

When I felt I didn't have the strength to push my cart anymore, the psychologist told me: 'Improve the wheels to make it lighter.' These conversations enabled me to have more confidence in what I do, in how I take care of myself and in my decisions, making my fear disappear."

ORLANDO VERA
Employee from
Tresmontes Lucchetti, Chile.

Sandra Córdoba is a 30-year-old mechanical engineer. She returned to the country in 2021 after completing her master's degree at Purdue University as a Fulbright program scholarship holder. While she was still focused on her studies, Sandra began the recruitment process for the C3 project, Grupo Nutresa's most modern production plant, and was subsequently selected for the position of engineering coordinator for the set-up process of the plant in Santa Marta.

"Grupo Nutresa has enabled me to gain knowledge and experience, but the most valuable thing is that I am improving my management, self-management and teamwork skills", she explains. After a new selection process, and only having worked for the Organization for a couple of months, Sandra was appointed to another position: production and maintenance leader.

"When I was starting at Grupo Nutresa, they told me about its higher purpose: building a better world where development benefits everyone. You can actually feel that purpose in your daily experiences: it is not just building a production plant and making the most profit, but seeking the development of the region and all its people," she says.

The closeness and trust she finds in her work team and her leaders allow her to aspire to evolve professionally within the Company.

"I appreciate the trust that the production plant management has put in me. With the support of my team, they gave me the opportunity to grow and develop within the Company. I have been the Production and Maintenance Leader of the C3 production plant for more than eight months and it has been an incredibly interesting challenge."

SANDRA CÓRDOBA
Employee at the GC Foods production plant, Colombia.

Cold Brew: Mindset transformation

We are Effective Research and Innovation
Grupo Nutresa produces and implements new ideas and solutions, promoting entrepreneurship and the adaptation to new challenges.

Daniel Quijano and his team are the minds behind the innovation of Cold Brew, a Grupo Nutresa launch that transformed the mindset of work teams and achieved USD 23 million in sales in 2021.

Daniel Quijano is the director of the New International Business Department at the Coffee Business. In 2016, Daniel and his team started working on a technology monitoring process to understand how cold brew sales worked around the world. They found out that the American industry had proposed, by 2020, that 50% of its market would be cold drinks.

Based on this horizon, they launched a product whose main characteristic is cold extraction, a cold brew concentrate that they co-developed with one of the largest coffee sales chains in the U.S. "In this process, innovation meant transforming the product, people, productive capabilities and even the Quality Assurance Department".

"Innovation is a capability that fosters growth, differentiation and competitiveness. We gain new knowledge that allows us to develop high-impact innovations that are highly relevant for the market and contribute to the sustainable development of the Organization based on the value of 'Cooperating with people, our allies and society'", indicates Carla Podestá when speaking about this capability in Grupo Nutresa.

Daniel and his team inspired a mindset change. He is proud because this transformation allowed them to deliver value to their clients, reach new markets and continue dreaming of applying innovation to relevant products for consumers.

Without making significant technology acquisitions, we managed to adapt the installed capacity to produce cold brew. However, the most important part of this process was the adaptation of the human talent: the entire Organization started to learn how to make a product that was unknown and disruptive".

DANIEL QUIJANO
Employee from the Coffee Business, Colombia.

Bottles that inspire care

> ***We are Circular Solutions and the Care for the Environment***
> Grupo Nutresa contributes to preserving the environment by minimizing the risks associated with climate change, and generating new protection actions.

In her mini-market in Bogotá, Elvia Rosa Pardo collects the bottles of the "Nutresa Retoma" (Retake) Program. With this action, she inspires people to take care of the planet.

"If we all did our part to take care of the planet, it would be a nicer place, less polluted," says Elvia Rosa Pardo, owner of the El Oasis mini-market.

In 2021, a bottle collection container from the "Nutresa Retoma" program was placed in her store. Additionally, she explains to her customers how to fill the bottles and makes another proposal: "I encourage you to bring your own cloth bags to pack your groceries and reduce the use of plastic ones." She knows that these small changes help maintain a balance with the environment.

"As part of its sustainability strategy and within the 'preserving the planet' dimension, Grupo Nutresa leads actions to minimize the environmental impact of its processes. To achieve this, we devise production methods that promote soil restoration and reduce deforestation, water consumption and the emission of greenhouse gases (GHG), while promoting circularity," states María Solange Sánchez, Grupo Nutresa employee.

Elvia takes care of the planet based on the inspiration she draws from the beauty of nature and her dream of living in the countryside. Her neighbors acknowledge her effort by supporting her initiative of circularity, recycling and conservation.

Our planet is such a beautiful place. Taking care of water and nature is very important to me. I recycle what I can and encourage customers to do the same. I explain to them about the bottles and how to fill them, and many of them have already started to do it too. This should be started in school, at a very young age, so that children grow up with the idea that we must take care of the planet; everything would be better if we did that."

ELVIA ROSA PARDO
Client, El Oasis mini-market, Bogotá, Colombia.

Sowing knowledge and supporting life

We are Responsible Sourcing
Cooperation, balance and the preservation of the planet are key aspects for Grupo Nutresa to fulfill its objective of developing competitive sourcing processes.

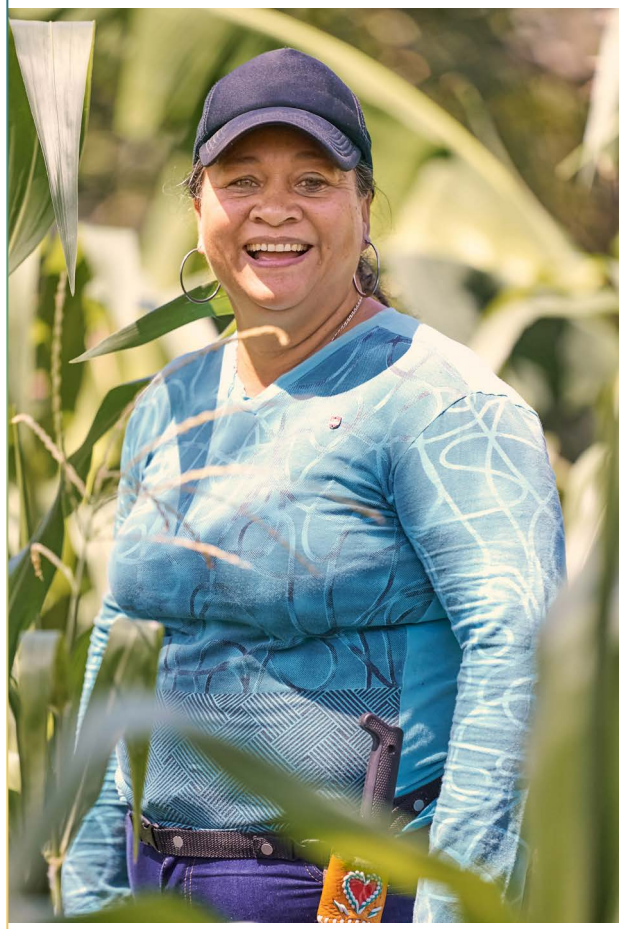
Osmalia Rojas is part of Cacao Oriente, an organization of cocoa growers from Colombia that has evolved thanks to the support of Grupo Nutresa.

When Osmalia Rojas started producing cocoa in San José de Oriente, Colombia, she knew little about the fruit and its farming. Since 2014, Osmalia and the 109 farmers of the Cacao Oriente organization have received training and support from Grupo Nutresa to improve their practices and their relationship with nature.

In 2021, and thanks to the 'Riqueza Natural' support program, Osmalia and her colleagues learned to take care of the soil and water, to make a responsible use of chemicals, to protect the forests and native fauna, and to improve their nutrition and personal well-being. "We learned how to have beautiful relationships with each other, and even how we should nourish ourselves," says Osmalia.

"Our business is closely linked to several agricultural and livestock chains, and based on the 'responsible sourcing' capability, it is essential to harmonize them with our goals of sourcing ourselves in a sustainable and productive way while taking care of biodiversity. Within the context of the 'preserving the planet' dimension, we have established an agenda so that by 2030, 100% of our commodities are sourced in a productive and sustainable manner," says Germán Zapata, Procurement Manager at Servicios Nutresa.

"I have grown hand in hand with Grupo Nutresa. The results I deliver to the Company are the proof of everything I have learned, and that it can be done," says Osmalia. Her joy confirms that providing learning opportunities and support can transform people's realities.



Being one of Grupo Nutresa's suppliers has been the best thing that could have ever happened to me. I say it with pride: I deliver my production as gratitude for all the beautiful things you have given me as a farmer".

OSMALIA ROJAS
Cocoa supplier from San José de Oriente, state of Cesar, Colombia.

C3: Growth that drives the development of the Colombian Caribbean Region

We are Competitiveness
Through competitiveness, Grupo Nutresa promotes its growth, development of talent and innovation, while adding value to society.

In alliance with the city of Santa Marta and with the aim of strengthening its competitiveness, Grupo Nutresa has built its most modern production plant. Additionally, with this new infrastructure effort, the Organization also seeks to bring progress and quality of life to Santa Marta's population.

Beatriz Martha Dávila is an advisor at Invest, an investment promotion agency in Santa Marta. Four years ago, she began working with Grupo Nutresa to make the C3 production plant real. It is located in the customs-free zone of the city port and the facilities were designed according to sustainability criteria.

"Here we have a logistics system that connects production plants, roads, the port, the river, the airport and rail transport. The latter has environmental and cost benefits, and allows products to arrive as far as to La Dorada, Caldas," indicates Beatriz. These advantages favored the realization of the production plant, and also nurture a competitive ecosystem that has started to emerge with the arrival of Grupo Nutresa at the city.

"The ability to compete adds value to the Organization through actions that allow us to anticipate market trends thanks to the efficient use of resources, the quality of the products and services, the technological innovation, the highly trained human talent, and the strategic geographic location of the production plants and distribution centers," says Jaime León Montoya, from Grupo Nutresa.

"Having here a company like Grupo Nutresa, which believes in Santa Marta, is a light of hope. They are interested in producing while generating a positive impact on the city and improving the social conditions of its people," highlights Beatriz.

"For me, Grupo Nutresa's work means opportunities, transformation, inclusion and social well-being. They have set an example, they have brought new conversation topics to Santa Marta, and they are inspiring development processes in other companies across the city."

BEATRIZ MARTHA DÁVILA
Advisor and legal representative, Invest Santa Marta, Colombia.

A family that shares wellness with their pets

We are Brands, Networks and Experiences
Supported on the development of its networks, Grupo Nutresa offers leading brands to consolidate its value proposition and deliver nutrition to its consumers.

Paola Ramírez relies on the Belina products for the nutrition of her pets. This brand was added to Grupo Nutresa's portfolio in 2021.

"When we see a little animal in the street, we bring it home. I don't know how many animals have lived here now. Now we have four cats and two dogs, who are all part of the family," says Paola, a consumer of Belina products.

In addition to feeding their pack, they always have food for homeless kittens. "We tried many types of pet food and we have stuck with Belina because it really worked for us: regarding their digestion, skin and allergies. We know that this food is nutritious and that it will give them a good quality of life," she says.

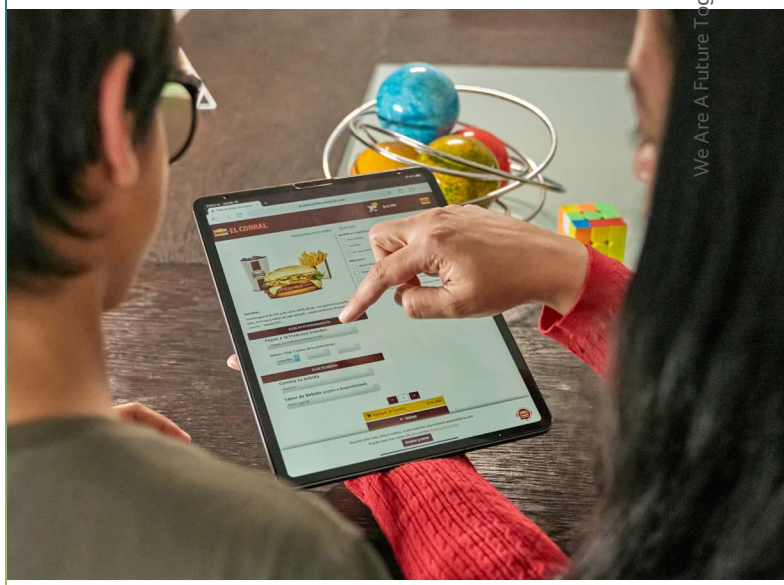
Belina is a pet food brand produced in Costa Rica. In 2021, Grupo Nutresa included its operation and products in its portfolio, thus adding more nutrition options for all family members.

"Inspiring development, growth and innovation means to be committed to households in terms of food and nutrition. For this reason, based on the capability titled 'brands, networks and experiences,' Grupo Nutresa contributes to the well-being of families by offering an adequate availability of its brands and product, as well as an easy access to them," explains Jorge Arturo Quintero, from Grupo Nutresa.

For Paola, the good nutrition of her pets is a joy for her home and a way of thanking her dogs and cats for the love they selflessly give them. "They are unconditional; you know they will always be there. When you come home and they welcome you with such happiness, you feel pure love," explains Paola.

More than two years ago we discovered the Belina pet food brand and it has helped us a lot. One of the dogs' skin improved and the other's digestion also got better. We want to give them what's best for them in the long term and, with this food, we feel safe because we know that it improves their quality of life."

PAOLA RAMÍREZ
Belina product shopper, Costa Rica.



Digital channels that support families

We are Digital Transformation
By implementing new technologies, Grupo Nutresa transforms its culture and working methods to improve the experience of its clients and consumers.

Liliana Ruiz and her family enjoy digital channels that allow them to enjoy their favorite hamburgers at home.

"I came to Bogotá to study medicine when I was 18 years old. My three sisters already lived in the city and the first time we went out, it was to eat at El Corral. They were fans already and I fell in love too," says Liliana Ruiz, consumer of El Corral products.

Both her husband and son are just as enthusiastic about the restaurant's products. During the first months of the COVID-19 pandemic, they started ordering their hamburgers through delivery platforms, but they soon found out that El Corral had its own line and so they started using it. "It took us a few months to adapt, but today we enjoy meals that are delivered warm and well prepared; that is why we trust El Corral," says Liliana.

"For Grupo Nutresa, digital transformation entails an organizational change that begins with the transformation of people and working models through the incorporation of digital services. It is a combination of technologies and ways of doing things. This capability leverages all other of the Group's capabilities and adds value to the 'Inspiring development, growth and innovation' dimension," explains Rafael Rios, Grupo Nutresa's Strategy and Digital Experience leader.

Thanks to these breakthroughs, the Organization supports Colombian households and strengthens its ties with them: "We are loyal to El Corral for the quality of its hamburgers, but also because they are a tradition and have become part of our lives," says Liliana Ruiz.

"The hamburgers from El Corral are very unique, they have something special in the bread, in the meat and in the way they prepare them. They are a tradition in our family; we order them directly from the restaurant because they are delivered quickly and warm by kind people."

LILIANA RUIZ
El Corral customer, Colombia.

Products with history for the world

We are Development of Geographies
Grupo Nutresa strives to reach new global markets, thus promoting inclusion and recognizing the importance of diversity.

Grupo Nutresa's progress in new geographies is increasingly relevant for the Company. Alliances like the one the Organization has established with El Súper, the largest Hispanic supermarket chain in the United States prove it.

El Súper is a Mexican supermarket chain with 323 stores in the U.S. focused on the Latin public. "We want our customers to find here the products they used to get in their home countries," explains Martín Perdomo, *grocery buyer* at El Súper.

In 2015, the chain included Grupo Nutresa's brands such as Zuko and Colcafé in its offer. "We have always had an open mind to try new things with companies like Nutresa, which make an effort to launch products and implement innovative marketing programs," says Martín.

"We have a relationship of trust and respect with El Súper. Our objectives are aligned: they seek the profitability that we offer them with well-known brands in the Hispanic market," says Aarón Alonso Mccallum, Grupo Nutresa's employee who is in charge of this client.

"As part of the 'Inspiring growth, development and innovation' dimension, the capability focused on the 'Development of geographies' allows us to continue strengthening Grupo Nutresa's presence in the countries where we have presence, thus visualizing new opportunities. The progress of our capabilities in each geography is valuable for the continued consolidation of our teams, networks and brands", states Juan Camilo Sierra from Grupo Nutresa.

Thanks to this type of alliances, consumers around the world can find products that tell stories of nutrition, tradition and wellness.

It's nice to see consumers who live in the United States get excited with products like Ducales and the memories they bring. There's also other people, outside the Hispanic market, who choose our products because they already know them and see value in them. It is wonderful to see how the brands are achieving development thanks to our customers."

AARÓN ALONSO MCCALLUM
Employee from Cordialsa, United States.

Open mind Light of hope Respect

Culture Mutual development New generations

Protecting life Enjoying Quality

Learning Circular solutions Honesty

Opportunities Support

Happiness

Care for nature Growing

Possibilities Commitment

Emotion Gratitude

Inspiration

A habitable planet Successful innovations Talent

Believing in others

Personal development Nostalgia products

Great service Kindness Social well-being

Transformation

Corporate contacts
[GRI 2-3]

María Adelaida Arango Hoyos
Vice-President of Sustainable Development
marango@serviciosnutresa.com

Catherine Chacón Navarro
Investor Relations Director
cchacon@gruponutresa.com

Claudia Rivera Marín
Sustainability Director
cprivera@serviciosnutresa.com

For questions and comments on the report and its contents, please get in touch with:

Alejandro González Córdoba
Sustainability Professional
agonzalez@serviciosnutresa.com

Conceptualization, graphics architecture, journalistic editing, design and production:
Taller de Edición S. A.
www.tallerdeedicion.co

Contents

21 About this Integrated Report
22 Engagement model
24 Materiality analysis
26 Contribution to the Sustainable Development Goals
28 Business Group Report, legal provisions and assessment of the performance of the disclosure and control systems

Management report

30 **Management report**

Corporate Model

46 Board of Directors
48 Management Team
50 What industry are we part of?
51 Value map 2030
52 Strategic goals
54 Corporate philosophy
56 Digital transformation
58 Comprehensive risk management and main business risks
60 Business model

Business Performance

64 Cold Cuts Business
66 Biscuits Business
68 Chocolates Business
70 Coffee Business
72 Tresmontes Lucchetti
74 Retail Food Business
76 Ice Cream Business
78 Pastas Business
80 Overarching or cross-organizational units

Strategic Dimensions

84 Cooperating with people, our partners and society
164 Preserving the planet
214 Inspiring development, growth and innovation

Financial Statements

274 Consolidated financial statements
349 Separate financial statements

Sonsón paramo landscape, Antioquia, Colombia.

About this Integrated Report

Grupo Nutresa **[GRI 2-1]** has prepared its Integrated Report 2021 based on the principles of the framework established by the International Integrated Reporting Council **(IIRC)** with the purpose of disclosing to its stakeholders the strategy, future outlook, the main progress achieved and the success stories related to the 18 material issues that could have the deepest impact on the Organization's ability to create value in the society. Such issues are presented within each one of the sustainability dimensions: Cooperating with people, our allies and society; Preserving the planet; and Inspiring growth, development and innovation. In addition, the Integrated Report presents the progress made with regard to the fulfillment of the 10 principles of the Global Compact. This is the thirteenth communication on progress for the United Nations.

This report has been prepared in accordance with the standards of the Global Reporting Initiative **(GRI)** —comprehensive option—, and with the food sector supplement of the G4 guide. The Organization has also voluntarily adopted the standard established by the Sustainability Accounting Standards Board **(SASB)**, and presents the corresponding results for the first time in this Integrated Report. The disclosure includes the sectors where Grupo Nutresa has operations: processed food; food retailers and distributors; land transport; beef, poultry and dairy; agricultural products; restaurants; e-commerce; and non-alcoholic beverages. The purpose is to continue strengthening the capacity of its stakeholders to make better decisions while enhancing, at the same time, their ability to assess and manage risks and opportunities. The report also includes indicators that reflect how the Organization contributes to the fulfillment of the Sustainable Development Goals **(ODS).**

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

The non-financial information has been verified by KPMG Advisory, Tax & Legal **[GRI 2-5]**, an independent auditing firm that abides by the guidelines of the ISAE 3000 and ISAE 3410 international standards. Such report has concluded that the information is presented in accordance with the 2021 edition of the GRI standards.

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 report is available in its entirety, both in English and Spanish, on this website: http://informe2021.gruponutresa.com

Engagement model

[GRI 2-29] [GRI 3-1] [GRI 3-3]

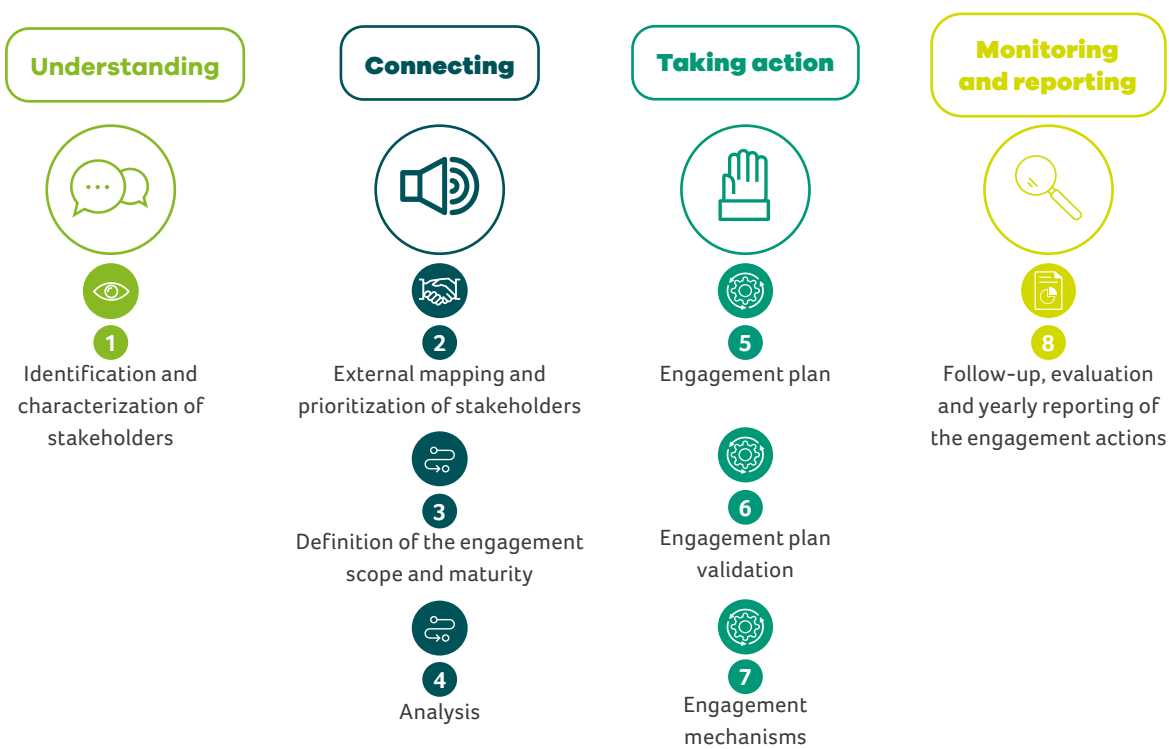
Based on the fundamental premise of being always a people-centered Organization, Grupo Nutresa permanently strives to contribute to the development of its stakeholders by building trust-based relationships through timely and bidirectional communication, engagement and collaboration, making sure to operate with integrity and transparency and to listen actively to others at all times.

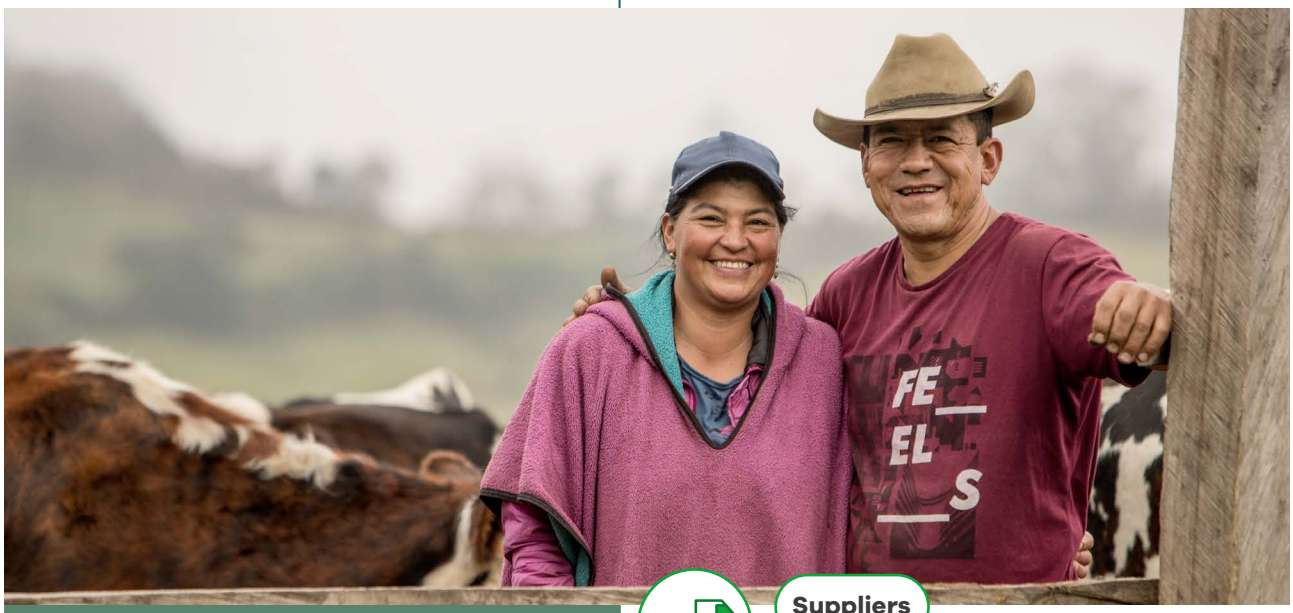
The Company's engagement model is aligned with the guidelines of the international standard AA1000, which requires Grupo Nutresa to apply the essential principles of inclusiveness, materiality, impact and Responsiveness in all the relations with its stakeholders. Since 2018, the Organization has been working on developing the capabilities of its employees with the purpose of strengthening their effective managerial skills in all its engagement processes. This is a constant and progressive work that enriches the materiality analysis and strengthens the sustainability management efforts, as well as the resilience of the organizational strategy.

Stages and phases of the engagement model, progress and outlook

In 2021, the Company maintained its training processes for the Businesses and set in motion the stages of the model in the Chocolates, Coffee, Ice Cream, Biscuits and Cold Cuts Businesses, as well as in Tresmontes Luchetti, La Recetta, Comercial Nutresa and Fundación Nutresa. Additionally, the Retail Food Business and Servicios Nutresa started deploying the first stages of the model. This work front is possible thanks to the articulated efforts of each one of the 18 engagement committees, which are in charge of guiding, managing, streamlining and carrying out the actions and activities established in the model.

For 2022, most of the Businesses will make progress in the execution and implementation of the engagement plans with the purpose of materializing them, taking them to the practice and achieving an optimal rapprochement with both direct and indirect stakeholders in order to keep building, collectively, the process that will take such Businesses to the desired maturity level for each one of them.





Engagement management

Suppliers

To strengthen and develop the suppliers and contractors as partners in the supply chain for the mutual benefit and ensuring an adequate supply to the Organization.

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.

The Government

To contribute to the development of public policy proposals that favor the progress of the entire society within a framework of transparency and efficiency while always striving to achieve common good.

Customers

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

Shareholders

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

Employees

To foster 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 the 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.

Materiality analysis [GRI 2-29] [GRI 3-1] [GRI 3-2] [GRI 3-3]

Materiality is a fundamental part of Grupo Nutresa's sustainability management system and represents a tool for the formulation of the corporate strategies. Therefore, since 2011, the Organization has been conducting its materiality analysis to identify and confirm the subjects and trends that might have a major impact on its ability to generate value in the short, medium and long term.

In 2021, based on the belief that materiality is a dynamic and evolving exercise that must be adapted to the new trends and challenges emerging from the sustainability context and the industry, the Company updated its materiality analysis, which establishes the basis for managing environmental, social and governance issues, thus becoming the Organization's road map for 2030.

The materiality analysis has been developed by focusing on the double materiality or perspective approach; it integrates the impact on the environment or the society, as well as the risks and opportunities of the business setting that could affect the Company's ability to create value in the long term, in addition to the economic performance. This analysis was developed in three stages, namely:

Stage 1 Analysis of the context and identification of potentially material issues

To understand Grupo Nutresa's operational context, as well as the sustainability challenges facing the industry, the Company has analyzed multiple sustainability standards, frameworks and benchmarks in addition to ESG ratings and rankings. Furthermore, the Organization has reviewed the global sustainability context and the main related global trends and challenges. Additionally, as Grupo Nutresa understands the diverse challenges facing the geographies where it operates, the Organization has conducted an analysis of the sustainability context and the specific risks for each country. This allowed the Company to comprehend the expectations and needs that the Businesses and stakeholders need to address in each particular territory. Based on this same premise, Grupo Nutresa has evaluated the outlook of peer companies and identified the most common issues in the sector.

Moreover, with the objective of identifying and comprehending the impact produced by the Organization, as well as the risks and opportunities facing it, in addition to understanding its internal needs, interests and expectations, Grupo Nutresa conducted 33 interviews with its main executives.

This stage made it possible to identify and draw up a preliminary list of relevant topics for a subsequent inquiry in this regard with the stakeholders.

Stage 2 Listening to the stakeholders

Based on the premise that the best way to achieve A Future Together is to listen to the stakeholders, in this stage, the Organization engaged them in each geography where it operates with the aim of finding out their perspectives regarding the issues that are potentially material for the Company.

The inquiry was based on three criteria:

- Influence of the perceptions and opinions on the stakeholders.
- Impact produced by the Company on the environment, the society and the business setting.

Stage 3 Prioritization and confirmation of material topics

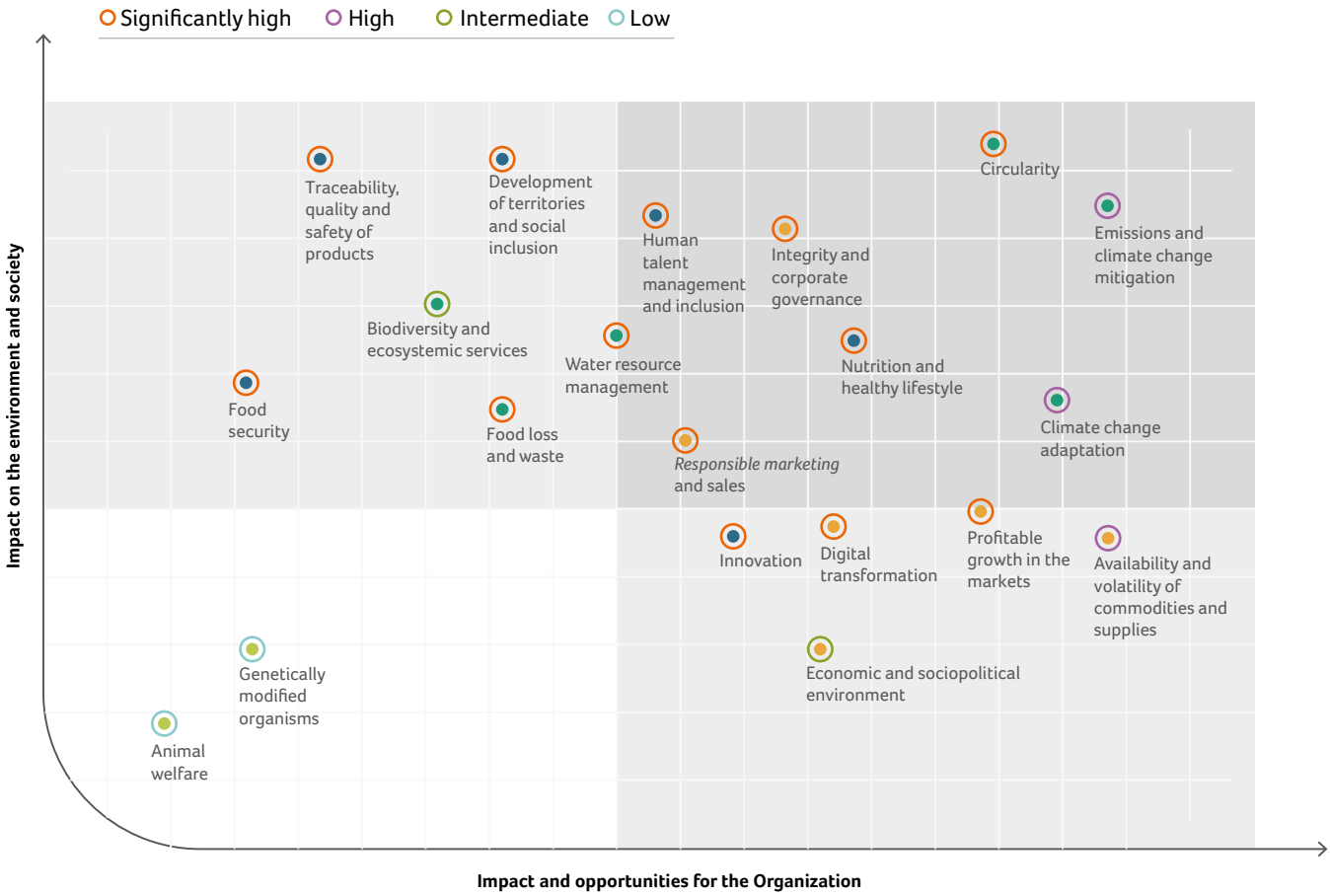
- Risks of the business setting, the society and the environment that could have an impact on the Organization's financial performance.

By using all the input collected in the previous stages, Grupo Nutresa created a corporate materiality matrix based on the guidelines of the Global Reporting Initiative (GRI) and the Sustainability Accounting Standards Board (SASB). In addition, with the identification of the priorities and challenges of the multiple Business Units and contexts, the Organization created matrices for each type of Business and geography where it operates.

To create this matrix, Grupo Nutresa used a weighted average according to differential weights allocated to each one of the geographies pursuant to the sales projections for 2030.

Finally, after several validation sessions with the internal executives and a panel of experts, the Company determined the most important topics for the environment, the society and the Organization itself. A total of 18 material topics were identified and subsequently grouped into each one of Grupo Nutresa's three strategic priorities.

Influence on the stakeholders



Material topics

Cooperating with people, allies and society

- Nutrition and healthy lifestyle
- Human talent management and inclusion
- Development of territories and social inclusion
- Traceability, quality and safety of products
- Food security
- Innovation

Preserving the planet

- Emissions and climate change mitigation
- Climate change adaptation
- Biodiversity and ecosystemic services
- Circularity
- Food loss and waste
- Water resource management

Inspiring development, growth and innovation

- Integrity and corporate governance
- Profitable growth in the markets
- Responsible marketing and sales
- Economic and sociopolitical environment
- Availability and volatility of commodities and supplies
- Digital transformation

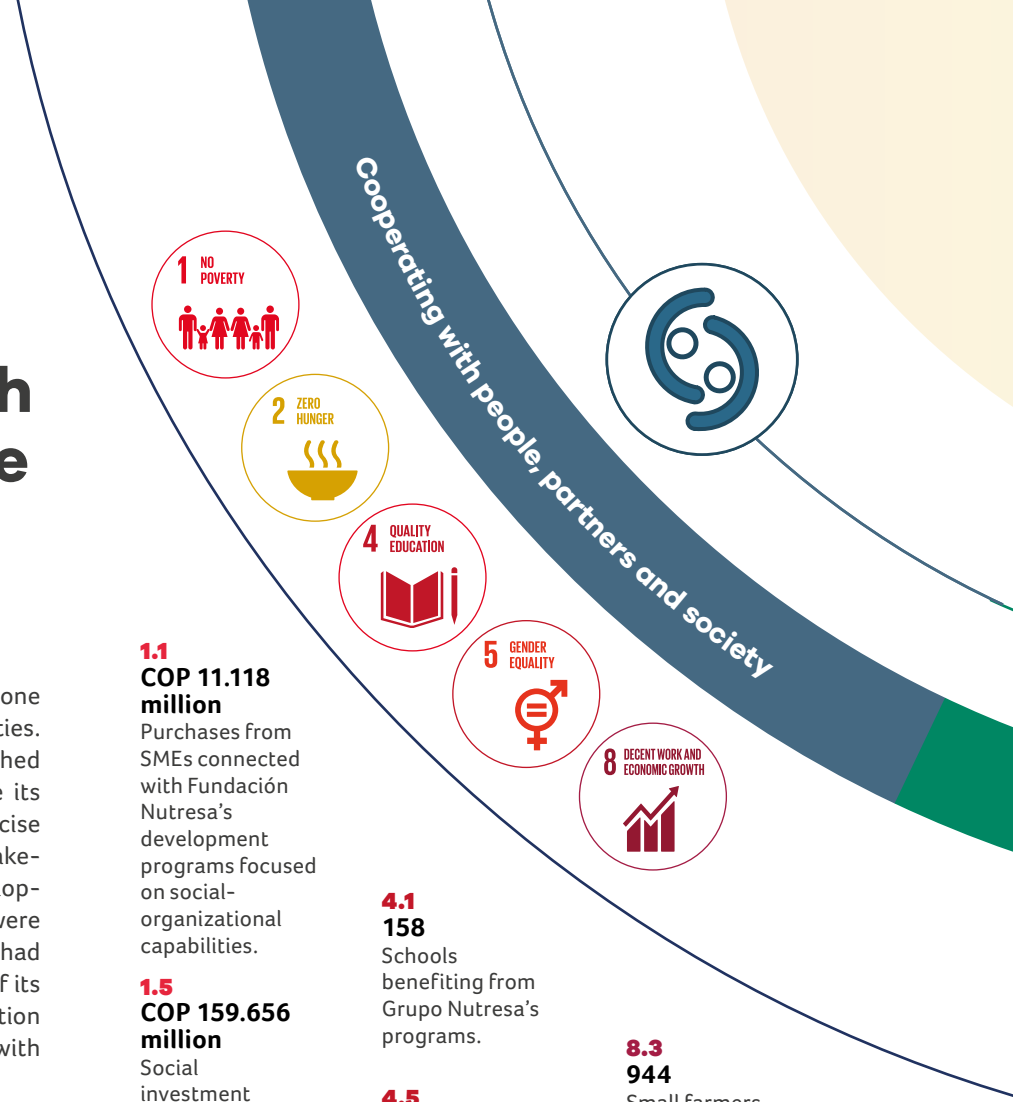
Strategy for 2030 and connection with the Sustainable Development Goals (SDGs)

For Grupo Nutresa, sustainability is one of its most important corporate capabilities. That is why the Organization has established long-term goals and programs that make its operation a consistent and deliberate exercise focused on generating value for all its stakeholders. Even before the Sustainable Development Goals (SDGs) of the United Nations were officially introduced in 2015, the Company had already made progress in the articulation of its strategy with them, as well as in its contribution to connecting the objectives of the SDGs with the business sector.

The Organization connects its strategic plan for 2030 with the global agenda of the United Nations and with its 17 Sustainable Development Goals. Thus, and considering that Grupo Nutresa's materiality analysis was updated in 2021, the Company has prioritized the following SDGs, taking into account that the contribution of its programs, work methodologies and metrics are focused on generating progress while striving to fulfill these:

SDG 1: No poverty; SDG 2: Zero Hunger; SDG 4: Quality education; SDG 5: Gender equality; SDG 8: Decent work and economic growth; SDG 9: Industry, innovation and infrastructure; SDG 11: Sustainable cities and communities; SDG 12: Responsible consumption and production; SDG 13: Climate action; SDG 15: Life on land; SDG 16: Peace, justice and strong institutions; and SDG 17: Partnerships for the goals.

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



1.1
COP 11.118 million
Purchases from SMEs connected with Fundación Nutresa's development programs focused on social-organizational capabilities.

1.5
COP 159.656 million
Social investment in the communities.

12.166
Volunteers.

22.553
Hours invested in volunteer work.

2.1
1.138.495
People who benefited from food banks in Colombia.

2.2
COP 844 million
Sales of products enriched with macro- and micronutrients lacking in the strategic region.

4.1
158
Schools benefiting from Grupo Nutresa's programs.

4.5
23,7%
Education institutions that have improved their school climate evaluation performance in Colombia.

5.5
35%
Women's participation in the workforce.

27%
Women in management positions.

35%
Directly hired women with university studies in science, technology, engineering and mathematics (STEM).

8.3
944
Small farmers who have received training in socio-entrepreneurial matters.

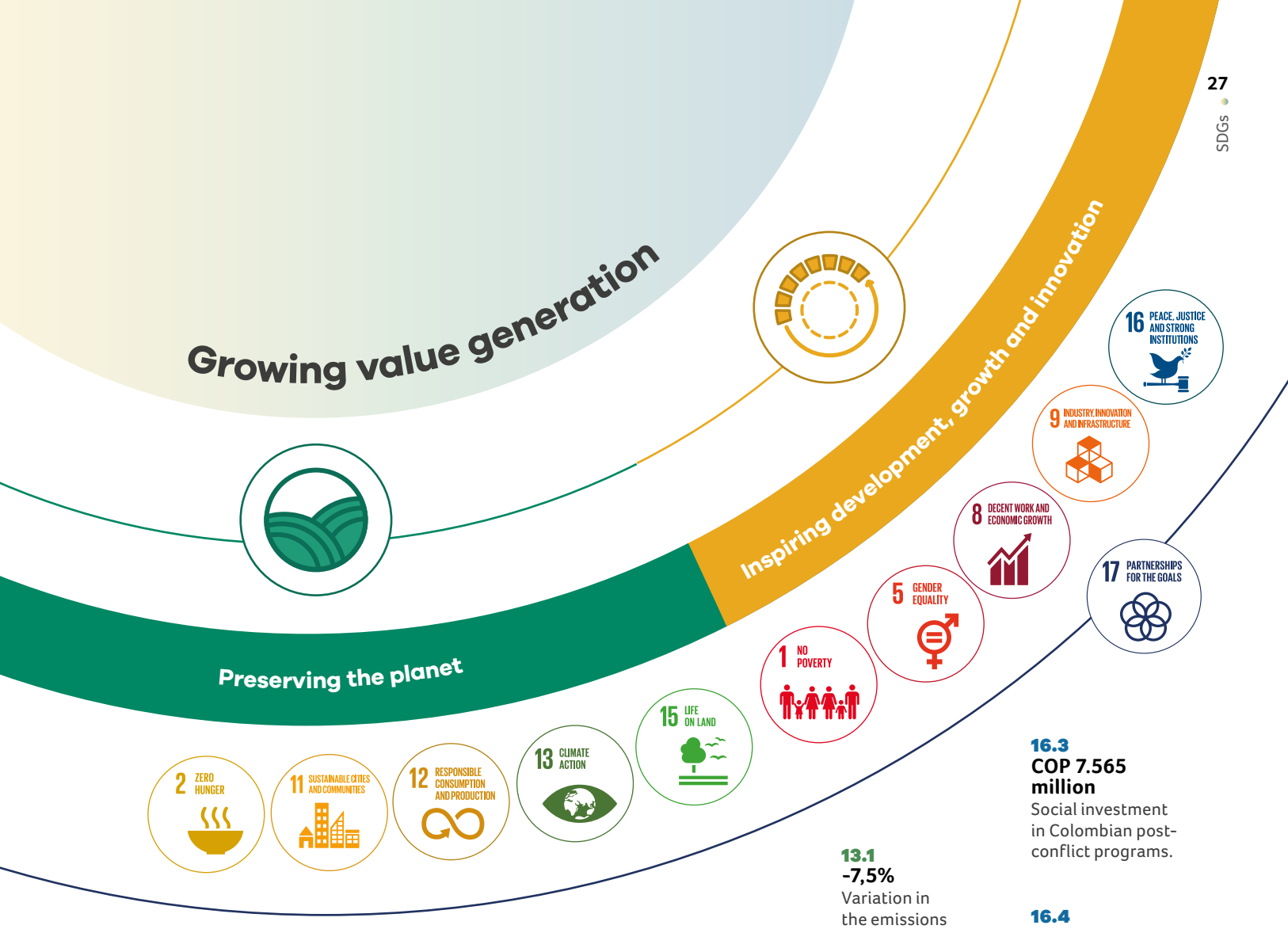
8.5
29.825
Direct employees and apprentices.

43,8
Average hours of training per employee.*

COP 137.771 million
Investment in quality of life, training and aids for employees.

8.6
5.335
Young people between the ages of 18 and 28 directly hired by the Organization.

*Average calculated using the number of people who received training.



8.8
3,63
Accident frequency rate for direct employees (LTIFR x 1.000.000 hours worked).

6,42
Accident frequency rate for third-party employees (LTIFR x 1.000.000 hours worked).

9.4
21
Patents secured.

1,43%
of the sales invested in R&D+i.

344
People exclusively assigned to R&D+i.

17,2%
Sales of innovative products (percentage regarding total sales).

11.6
-24,3%
Variation in the production of solid waste that is disposed of into the environment.*

214 tons
Emissions of Particulate matter in the cities within the strategic region.

12.2
4,8%
Water recovered/ reused (percentage regarding total usage).

COP 31.071 million
Investment in environmental management actions in the strategic region.

12.3
1.712
Sustainable nourishment systems established.

12.5
85,7%
Packaging solutions manufactured using recyclable, reusable or compostable materials.

91,8%
Waste recovery and reuse.

* 2020 baseline per ton produced.

13.1
-7,5%
Variation in the emissions of greenhouse gases (GHG).*

86,4%
Usage of renewable electric power.

-5,5%
Variation in the usage of non-renewable energy.*

15.2
458
Supplier audits focused on sustainability, integrated management systems and commercial security.

16.3
COP 7.565 million
Social investment in Colombian post-conflict programs.

16.4
30.455
Employees and third-party-personnel who received training related to the risk of money laundering, terrorism financing and the financing of the proliferation of weapons of mass destruction (ML/ TF/FPWMD).

Special Report of the Business Group

By the end of 2021, the Grupo Nutresa was formed by 71 companies, grouped as follows for administrative purposes: eight food Business Units 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 the sum of COP 459.780 million as dividends, and did not receive any amount from the sale of goods and services. In 2021, Grupo Nutresa S. A. did not endorse financial obligations of its subordinate companies. For their part, the subordinates did not carry out operations for third parties by influence or in the interest of the parent company.

Moreover, in 2021, Grupo Nutresa S. A. did not make or stopped making decisions to address the interest or by influence of any of its subordinate companies, and none of them made or stopped making decisions to address the interest or by influence of Grupo Nutresa S. A.

Legal provisions

Grupo Nutresa and its subordinate companies have 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 verifying such compliance.

In 2021, the Organization did not receive any notifications of lawsuits and there were no judicial rulings that could significantly affect the Company's 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 the Company's 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 allows guaranteeing the verifiability, reasonableness and reliability of the information required to plan, direct, control, measure and record the performance of its Businesses, and ensuring an adequate and timely disclosure of related information to its stakeholders.

In order to keep aligning the operations with the highest international standards, in 2021, the Organization measured the level of maturity of its internal control system based on the COSO 2017 framework, which comprises components of governance and culture, strategy and objectives, performance, review and information, communication and reporting.

Finally, the Company established objectives focused on the alignment with leading practices in each one of the components.

Orlando Vera,
Employee from Tresmontes
Lucchetti, Chile.

We are a dynamic, vibrant and deeply human Organization that self-assesses and evolves, as it is aware of its vulnerabilities and opportunities to continue improving.

Today, companies have to face constantly evolving, complex and intensively competitive business settings while bearing the responsibility and opportunity to be part of the transformation the world needs. Every day in Grupo Nutresa we embrace the challenge of realizing our purpose: **building a better world where development benefits everyone.**

We are a dynamic, vibrant and deeply human Organization that self-assesses and evolves, as it is aware of its vulnerabilities and opportunities to continue improving. We are a Company connected with society, and we see ourselves as part of a larger ecosystem where everyone depends on each other.

In 2021, we successfully managed the challenges arising from the COVID-19 pandemic, aware of the importance of protecting life, preserving jobs, ensuring business continuity and taking care of our planet.

We experienced the effects of the disruption in the global logistical chains, which led to a continuous increase of commodity prices, global inflation, higher shipping costs, and labor shortage in several geographies. This drove us to review and reformulate multiple processes in order to reach the market with the required levels of availability, affordability and timeliness.

We are able to state that we have capitalized on major learnings throughout this period of time. Through the evolution of our corporate capabilities, we were able to become closer to the consumers, strengthen its omnichannel strategy in the market, work jointly with the suppliers to ensure business continuity, and lead initiatives that contribute to the economic and social recovery, particularly to support the most vulnerable ones.

Our vision is based on a sustainable development framework with goals that drive our commitment to

Carlos Ignacio Gallego P.
Grupo Nutresa CEO

creating shared value and preserving the planet for future generations. Throughout the year, we established the climate change strategy for 2030 with clear objectives: leading actions along the value chain to reduce greenhouse gas emissions, increasing the eco-efficiency, implementing climate change adaptation measures, and enabling the regeneration of the ecosystems in order to preserve biodiversity. The disclosure of these commitments followed the Task Force on Climate Related Financial Disclosures (TCFD) standard.

The progress achieved in terms of our sustainable development strategy has enabled us to be once again acknowledged as the most sustainable food company in the world, according to the 2021 Dow Jones Sustainability Indices, and to be included in the Gold Class of S&P Global's Sustainability Yearbook. Our presence in these indices for eleven consecutive years reflects a deep commitment, strong leadership

Once again, we were acknowledged as the most

sustainable

food company in the world, according to the 2021 Dow Jones Sustainability Indices, and was included in the Gold Class of S&P Global's Sustainability Yearbook.

Sandra Córdoba, Employee from GC Foods in Santa Marta, Colombia.

and consistent hard work of the entire team with the effective implementation of the higher social, environmental and economic practices. Additionally, it is also an acknowledgment of our corporate capability to generate value for humanity as a whole.

The results presented in this Integrated Report have been prepared according to the SASB standard (established by the Sustainability Accounting Standards Board), which demonstrate the connection between the Company's sustainability strategies and its financial performance.

Grupo Nutresa's capabilities

Our 2020-2030 plan proposes doubling once again our sales with returns greater than the cost of capital. It is based on the three pillars of sustainable development: enhancing the cooperation with people, partners and society; promoting the preservation of the planet; and encouraging growth, development and innovation. To achieve these objectives, we will continue strengthening our strategic capabilities and building trust-based relationships and cooperation with our stakeholders.

Cooperating with people, partners and society

Our organizational culture is based on the appreciation of the human being, the respect for people's dignity and their development. Consequently, the care for people's lives and both their physical and mental health continues to be at the center of the Company's priorities. Throughout this period, we strengthened multiple methods of hybrid work, along with flexible and remote work, for our employees across the entire strategic region. The support provided to the families was also reinforced, as well as the promotion of personal care habits and vaccination efforts to protect people's lives. As of the end of the year, we reported that 87,4% of our employees had already received COVID-19 vaccines.

With regard to people's development, we continued implementing initiatives focused on maintaining jobs, strengthening and encouraging both the personal and professional growth of the teams, and promoting equality and diversity. Significant progress was made in terms of the creation of opportunities for youth by directly hiring 5.335 people within the age range of 18 to 28, and remained on track to strengthen gender equality with a 35% participation of women in multiple positions. In

Grupo Nutresa's social investment

amounted to

COP 159.656 million

Grupo Nutresa has contributed to the economic and social reactivation by developing the capabilities of young people for the benefit of

52.773
individuals

The Organization directly hired

5.335
young people in the age range of 18 to 28.

addition, we continued hiring people with special capabilities through the alliance with Best Buddies and victims from the armed conflict in Colombia via the "Soluciones" (Solutions) Project.

In the context of training and education, diverse strategies were consolidated to develop new skills among all our team members: 26.948 employees received training related to subjects such as new leadership styles, adaptability, circular economy, digital transformation, innovation, agile culture and diversity.

As a result, we were acknowledged by the corporate reputation benchmark monitor Merco Talento 2021, for the seventh consecutive year, as the top second company regarding talent attraction and retention in Colombia, and as the top company in the food sector.

Development of the communities' potential

Supporting the most vulnerable communities is an essential activity for Grupo Nutresa. We continued devoting efforts and allocating resources to boost the progress of the communities where we operate.

Throughout the year, we fostered food security and the promotion of healthy lifestyles by delivering products and providing support to 29 food banks. Production practices and inclusion-focused businesses were strengthened, and the creation of employment opportunities was promoted for the benefit of 6.936 suppliers and 11.292 customers. Additionally, we supported education systems by assisting 158 education institutions in terms of quality improvement and school management processes. Moreover, we focused on contributing to the economic and social reactivation by developing capabilities, particularly among youth, for the benefit of 52.773 people.

Grupo Nutresa's social investment amounted to COP 159.656 million, resources that include the Company's direct management in addition to the mobilization of partners such as public agencies, private enterprises and multilateral organizations. Furthermore, we rely on the valuable commitment of 12.166 employees, who selflessly and generously joined the Nutresa volunteering network and invested 22.553 hours of their time.

37%
of total innovations
in nutrition and health products.

99,3%
of the advertisement has been adjusted to self-regulation standards.

576
reformulations
focused on reducing the nutrients of interest in public health.

Innovation focused on boosting growth

Research and effective innovation have been important enablers in terms of the Organization's value creation and competitiveness. These two aspects have also contributed to the profitability and the alignment with the standards focused on the health and wellness of both the people and their pets, as well as to the protection of our planet.

On this front, we continued working on the evolution of our Imagix Model through the development of innovative solutions in terms of products, services, experiences and business models that enable us to achieve positive results in the market while meeting the changing needs of consumers. Over the term, we developed projects with high environmental impact, such as the one focused on reducing water usage (by 50%) in one of the production plants in Costa Rica, as well as social innovations that include, sustainable practices for cocoa farmers program, which looks for a new fair trade model. Product innovations remain an important driver of growth and represented 17,2% of the total sales, which is a result that exceeds, for the sixth consecutive year, the goal we set for ourselves.

In addition, we reinforced our alliances with agents from both local and international ecosystems and fostered an agile process culture that streamlines the execution of effective proposals in the market.

Nutrition, health and wellness

We reaffirm our commitment to the creation of nutritious food solutions that make a positive contribution to people's wellness and health by strengthening the portfolios of specialized brands such as Bénet, Kibo and Tosh, and developing and launching differentiated products under other brands such as Sello Rojo, Noel and Pietrán.

The compliance with our Nutrition Policy, which is based on the pillars of innovation, information transparency and the promotion of healthy lifestyles, produced outstanding results throughout the past year: 37% of total product innovations in terms of nutrition and health, and 576 product reformulations intended to reduce specific nutrients of interest regarding public health. Additionally, with regard to information transparency, 92,9% of our products currently have front-panel nutritional labels, and 99,3% of our advertisement has been adjusted to self-regulation standards.

Osmalia Rojas, who is part of the cocoa production project that focuses on the preservation of the tropical dry forest ecosystem in the state of Cesar, Colombia.

Preserving the planet

Responsible and productive sourcing

Within the framework of our goals for 2030, the development of our own capabilities as well as those of our suppliers takes into account a holistic vision of the sourcing process, where productivity and the decrease of the environmental and social impact will continue to be relevant for the fulfillment of our higher purpose.

Through strategic alliances with multiple stakeholders, we continued addressing the challenges of sustainability and the deployment of actions focused on the sustainable sourcing and production of the supplies. Similarly, we have been leading programs that boost productivity and aim to support the economic reactivation in several sectors. In 2021, we provided 2.100 hours of training for the benefit of more than 1.900 suppliers as part of diverse knowledge-transfer and technical support activities.

We are well aware that one of our most significant corporate risks is the volatility of the prices of commodities. For adequately managing this risk, we continue broadening the coverage of supplies and the administration of the commodities based on scenario analysis and the constant review of the coverage policies in order to facilitate the process of making correct and timely decisions.

Grupo Nutresa's purchases totaled COP 7,3 trillion from an ecosystem of more than 15.700 suppliers. Our strategic sourcing methodology led to COP 98.108 million in savings, thanks to the implementation of 511 initiatives that improved competitiveness in the Organization's sourcing of supplies and services.

In alignment with our responsible sourcing objective, we created a task force that is in charge of tackling the challenges related to the main supplies. This is carried out by designing road maps intended to ensure a productive and sustainable sourcing process with the aim of preserving the biodiversity, thus contributing to the fulfillment of the goals for 2030.

Children's playground built with materials resulting from the transformation of post-consumption flexible plastic materials in Colombia.

Use of 86,4%
electric power from renewable sources.

Environment and circular solutions

Society demands an increasingly coherent and responsible behavior towards the environment. Therefore, climate change and biodiversity loss represent the most important challenges for humanity and for business management. The global agenda proposes to limit the increase of the planet's average temperature. To achieve this, it is necessary to rethink the production systems, improve the energy sources, lessen the impact produced by the logistics operations, and lead the transition to a low carbon economy. Our climate change

A total of

85,7%

of Grupo Nutresa's packaging solutions are recyclable, reusable or compostable.

The Organization also recovered

43 tons

of post-consumption packaging materials.

mitigation strategy for 2030 considers reducing by 40% the emissions of greenhouse gases scope 1 and 2[1], achieving a 25% decrease in the usage of non-renewable energy, designing 100% of the packaging solutions with recyclable, reusable and compostable features, and cutting by 30% the loss and by 50% the waste of food.

In 2021, we were able to reduce the emissions by 7,5% and the usage of non-renewable energy by 5,5%, both per ton produced, and 86,4% of the electric power used by the Company came from renewable sources. With regard to circularity, 85,7% of the packaging solutions were recyclable, reusable and/or compostable, and 43 tons of post-consumption packaging materials were successfully recovered.

We remain firmly committed to the fulfillment of the Sustainable Development Goals and, particularly, to the alliances established to achieve development (SDG 17). For this purpose, we work with multiple institutions in several countries from the strategic region. In Chile, we collaborate with the Gransic collective, which is working on the development of a strategy for recovering and reusing packaging materials. In Colombia, we participate in the Carbon Neutrality Program created by the Ministry of the Environment, as well as in the initiative of the National Planning Department (abbreviated DNP in Spanish) and the "Acción" (Action) Fund, which is focused on creating and publishing a climate risk management tool. Additionally, we continue supporting the collective initiative known as "Visión 3030" by working on the recovery and reuse of materials derived from packaging solutions across the country.

Inspiring development, growth and innovation

Brands, networks and experiences

Grupo Nutresa manages a portfolio of widely recognized and appreciated brands that contribute nutrition, wellness and enjoyment, and reach consumers through differentiated networks.

Throughout the year, we continued investing in our brands to increase their innovative and competitive features; broadened our offer in high-growth categories such as healthy snacks and functional beverages; and deepened our communication with the consumers in order to proactively meet their needs.

Most of our brands are leaders in the markets where they participate, filling either one of the first three positions in all of them. Currently, we have 48 leading brands in 15 categories from the food and beverage industry in the strategic region.

[1]Scope 1: emissions attributed to the use of fuels, refrigerant agent leaks in the operations, and emissions produced in the wastewater treatment plants (from biological processes). Scope 2: emissions attributed to electric power usage from non-renewable sources in the operations.

48 leading brands

in Grupo Nutresa's strategic region

The market entry channels have undergone an important transformation over the past few years, allowing us to establish new points of contact and effective communication with our customers, shoppers and consumers. Our restaurant network facilities across the region were improved using digital solutions, the digital orders were increased in the traditional channel, and differentiated solutions were created for the Novaventa Entrepreneurs with their Virtual Store.

The consolidation and development of geographies based on Grupo Nutresa's Internationalization Model has allowed to identify new opportunities in terms of categories, brands and experiences. Throughout the year, we expanded the geographic footprint of our brands, increased our share in the nutrition and wellness markets, and achieved growth in the B2B model in the United States by means of differentiated value propositions. These efforts were acknowledged in Colombia with the National Exporter Award 2021, which was granted by the National Foreign Trade Association (abbreviated Analdex in Spanish) and ProColombia.

Digital transformation

For Grupo Nutresa, digital transformation is a dynamic capability that starts with the transformation of the human being and their ability to internalize new technologies and tools with the aim of creating value.

We have a model in place that allows us to manage, through experimentation, application and adaptation, organizational processes that make us more agile and flexible in the market.

Over the year, we worked on talent attraction and training by enhancing skills related to agile culture, digital services and analytics. At the same time, progress was made in the digitalization of our operations, which allowed reinforcing the engagement with the suppliers, customers, shoppers and consumers by improving their experience while they interact with the Company. We also developed native digital brands, improved the brands' engagement with the consumers, and strengthened the not-in-person sales through our own networks and jointly with partners from the digital ecosystem.

The continued evolution of the digital capabilities is necessary for achieving the objectives, therefore, we will continue researching, exploring and incorporating new technologies that enable us to be an increasingly innovative, competitive and flexible Organization.

Competitiveness and growing value generation

One of Grupo Nutresa's main objectives is the creation of growing and sustainable value over time for all the stakeholders. This is achieved by means of the continued strengthening and evolution of organizational capabilities.

We are glad to report that, by the end of the year, all the geographies and Business Units presented revenue growth, some of them even achieving two-digit increases, as it is the case of the Retail Food, Ice Cream, Coffee and Chocolates Businesses. The financial results of the year prove the resilience and adaptive capacity of a business model focused on people, which has been a decisive element in the process of achieving the results that are presented next.

Grupo Nutresa's consolidated revenue totaled COP 12,7 trillion, which represents a 14,5% growth when compared to 2020. In Colombia, these revenues amounted to COP 7,8 trillion, that is 16,3% higher than the previous year and represents 61,1% of the

El Corral restaurant drive-through service in Colombia.

total revenues. This growth was driven by outstanding business dynamics across all business units. The international sales stated in Colombian pesos stood at COP 4,9 trillion, a total that is 11,8% higher than the sales achieved in 2020 and represents 38,9% of the total revenue. When stated in dollars, these sales amount to USD 1.321,8 million, which represents a growth of 10,2%.

The gross profit for the period amounted to COP 5,1 trillion, growing 10% compared to 2020 and producing a 1,6% decrease in the gross margin as a result. This is the outcome of the pressures experienced by the cost of the commodities due to the global challenge in terms of logistics and the commodities super-cycle.

The operating profit, which totaled COP 1,1 trillion, presented an 8,4% year-on-year increase as a consequence of the Organization's management actions focused on expense productivity. Consequently, we report an EBITDA of COP 1,5 trillion, with a 6,2% growth and a margin on sales of 12,0%.

The net post-operative expenses totaled COP 117.780 million, decreasing 42,3% with regard to 2020. This is mainly explained by a notable reduction in the financial expenses due to the lower interest rates throughout the year.

The consolidated net profit of the period was COP 676.879 million, representing a 17,6% growth and a 5,3% margin on Grupo Nutresa's consolidated sales.

In the Statement of Financial Position, we report assets for COP 16,9 trillion, with an increase of 9,1% that can be explained mainly by the growth of the working capital accounts and the higher market value of our strategic investments in both Grupo Sura and Grupo Argos.

The consolidated amount recorded in terms of total liabilities stood at COP 7,9 trillion, which represents an 8,7% increase that resulted from a rise in the debt after we addressed working capital needs throughout the period.

The equity amounted to COP 9,0 trillion, presenting an increase of 9,5% when compared to the closing of 2020.

Among other financial indicators, we report a free cash flow of COP 553.529 million. The return on the capital invested throughout the year was 9,1%, which places the Company in the value creation zone.

In the context of relevant projects, we completed the construction of a new multi-category production plant in Colombia, which is intended to achieve superior levels in terms of competitiveness, connectivity and efficiency for the export market. In addition, we entered the pets category by acquiring Belina in Costa Rica. Belina is a company with leading brands in the category of animal feed through three business lines: pets, farm and aquaculture. The purpose of this investment is to take the first steps into an important high-growth category in the households of the strategic region.

Finally and in alignment with the objective of contributing to the internationalization of the Colombian companies, we created C. I. Nutrading, an initiative focused on putting at the disposal of local entrepreneurs all of Grupo Nutresa's international market entry capabilities to distribute its products and facilitate its logistics and business processes.

Over the year, we made progress in our value creation model while maintaining an adequate balance in terms of revenue growth, internal productivity to protect the profitability, investment focused on future growth, and returns for the shareholders. These results are the consequence of the consistency in the execution of the strategy, the trust placed in our brands, and the adaptability of flexible, innovative and diversified business models.

We remain committed to human development and to the transformation of our portfolio through the creation of solutions that steer us toward high-growth

Total sales

COP 12,7 trillion

△ 14,5%

Sales in Colombia

61,1%

COP **7,8** trillion

△ 16,3%

Sales abroad

38,9%

COP **4,9** trillion

△ 11,8%

EBITDA

COP **1,5** trillion

△ 6,2%

Consolidated market share

53,7% in Colombia

Consolidated net profit

COP **676.879** million

△ 17,6%

Individual results of GRUPO NUTRESA S. A.

businesses in order to meet the daily consumption needs both inside and outside the households.
In compliance with the Colombian regulations, Grupo Nutresa S. A. reports its individual results: the net operating income totaled COP 685.949 million, from which COP 618.203 million correspond to the profit from the equity method of our investments in food companies and COP 67.746 million correspond to dividends from the investment portfolio. Furthermore, the net profit totaled COP 684.819 million.

Outlook

People, brands and capabilities are the pillars of Grupo Nutresa's business model, and they are major enablers for the Company to successfully fulfill its strategy.

The clarity in terms of purpose, the adequate disposition to devote efforts in multiple time horizons, and the connection with the society will enable the Organization to evolve and transform in order to manage the risks and opportunities in the economic, social and environmental dimensions.

Less certain environments that entail challenges related to managing the human talent, the disruption of the supply chains, the bridging of the gaps in terms of equality, and the need for actions to tackle the environmental problems are territories filled with opportunities for the Company. Both innovation and internationalization also represent major opportunities. Thus, the path that has been drawn up is challenging and promising at the same time.

Furthermore, on November 10, 2021, the Company's shareholders received a non-solicited tender offer. In compliance with its responsibilities and the provisions established by the law, and in the best interest of the Organization, its shareholders and all other stakeholders, the Board of Directors asked the Company's Management to review its Policy on Dividends, explore alternatives to access other equity markets with greater depth and higher liquidity levels, and analyze the potential inclusion of strategic partners.

Finally, maintaining consistency with its values, reputation and track record, the Company will strive to manage its relations with the shareholders pursuant to the law, as well as its Bylaws and Code of Corporate Governance, and it will make its best efforts

"Riqueza Natural" (Natural wealth) Program in Cesar, Colombia.

to create sustainable value and build a better future together.

Acknowledgments

Grupo Nutresa is aware of its important role in the society, as well as its responsibility to the creation of opportunities, particularly for young people, women and the most vulnerable populations.

The Company's progress and its results are the consequence of the execution of its strategy, the effort and commitment of its entire team, and the cooperation with all its stakeholders. Therefore, the Organization would like to sincerely acknowledge and express its deep appreciation to all its employees for their loyalty and dedication, to the retirees who established the foundations that support our progress, and to those who are no longer with us physically but remain present through their example and legacy.

Grupo Nutresa would also like to thank all clients, customers, shoppers and consumers for allowing its products, services and experiences to be part of their lives.

Much gratitude to all other stakeholders for their collaboration and will to grow and advance together. And, finally, sincere thanks to the shareholders for supporting the Company's project of creating sustainable and long-lasting value for everyone.

Mauricio Reina Echeverri
Chair of the Board of Directors

Gonzalo Alberto Pérez Rojas
Jorge Mario Velásquez Jaramillo
Juana Francisca Llano Cadavid
Valeria Arango Vélez
Antonio Mario Celia Martínez-Aparicio
Jaime Alberto Palacio Botero
Ricardo Jaramillo Mejía

Carlos Ignacio Gallego Palacio
Grupo Nutresa CEO

Corporate model

Grupo Nutresa is committed to taking actions that allow increasing the productivity of the natural resources.

Coffee plantation of the PFC productivity project in the state of Santander, Colombia.

Board of Directors [GRI 2-9]

Independent members

Mauricio Reina Echeverri

2007*
Associate Researcher, Fedesarrollo

- **Prior Experience**
  Associate Director, Fedesarrollo.
  Vice-Minister of Foreign Trade of the Republic of Colombia.
- **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.
- **Participation in other Boards**
  Oleoducto Central S. A. (Ocensa).

Jaime Alberto Palacio Botero

2005*
CEO Coldeplast S. A. S. and Microplast S. A. S.

- **Prior Experience**
  Associate Executive Director, Microplast S. A.
  Member of the Board of Directors of Inversiones Forestales La Cabaña S. A. S.
- **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).
- **Participation in other Boards**
  Colombian Association of Plastic Industries (Acoplásticos).

Valeria Arango Vélez

2020*
Physician specialized in integrative medicine

- **Academic Background**
  Medical degree, Universidad CES.
  Specialized studies in Integrative Medicine, University of Arizona.
  Studies in integrative medicine, Harvard Medical School, Massachusetts General Hospital, Memorial Sloan Kettering Cancer Center in New York.
- **Further Information**
  Founder and CEO of Healing Presents, Global Acknowledgment 2021- C3 Prize Innovation Award (Changing Cancer Care), Astellas Pharma.

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.
- **Participation in other Boards**
  Universidad del Norte Foundation, Entrepreneurs for Education Foundation (ExE), La Cueva Foundation, Fedesarrollo High Council, "Ideas para la Paz" (Ideas for Peace) Foundation, Barranquilla Modern Art Museum, Honorary Member of the Private Council for Competitiveness.

Average Board Member tenure: 10,14

1. Mauricio Reina Echeverri
2. Jaime Alberto Palacio Botero
3. Valeria Arango Vélez
4. Antonio Mario Celia Martínez-Aparicio
5. Juana Francisca Llano Cadavid
6. Ricardo Jaramillo Mejía
7. Gonzalo Alberto Pérez Rojas
8. Jorge Mario Velásquez Jaramillo

Non-Independent Members

Juana Francisca Llano Cadavid

2020*

CEO, Suramericana S. A.

- **Prior Experience**
  Insurance
  Executive Director, Suramericana S. A.
  Corporate Business Manager, Suramericana de Seguros.
  Equity Solutions Manager, Suramericana de Seguros.
- **Academic Background**
  Law degree, Universidad Pontificia Bolivariana.
  Specialized studies in Civil Liability Law, Universidad Pontificia Bolivariana.
  Specialized studies in Financial and Business Law, Universidad Pontificia Bolivariana.
  Advanced management program, Massachusetts Institute of Technology (MIT).
- **Participation in other Boards**
  Seguros Generales Suramericana S. A., Seguros de Vida Suramericana S. A.

Ricardo Jaramillo Mejía

2020*

Vice-President of Business Development and Finance, Grupo de Inversiones Suramericana S. A.

- **Prior Experience**
  Investment Banking Executive Director - Bancolombia.
- **Academic Background**
  Degree in civil engineering, Escuela de Ingeniería de Antioquia.
  Master's Degree in Business Administration focused on finance, Boston University.
  Executive education courses, University of Chicago, Harvard University.
- **Participation in other Boards**
  Suramericana S. A., Sura Asset Management S. A., Arus S. A. S., Renting Colombia S. A., Orquesta Filarmónica de Medellín, Universidad EIA.

Gonzalo Alberto Pérez Rojas

2007*

CEO, Grupo SURA

- **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.
- **Participation in other Boards**
  Suramericana S. A., Sura Asset Management S. A., Grupo Argos S. A., Bancolombia S. A.

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.
- **Participation in 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.

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

1 2 3 4 7
Finance, Audit and Risks Committee

1 4 7 8
Appointment and Remuneration Committee

1 2 6 8
Corporate Governance and Board Matters Committee

1 4 5 7 8
Strategic Planning and Sustainability Committee

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

Management Team

[GRI 2-9] [GRI 2-13]

The Management Team ensures the Organization has the necessary capabilities to guarantee sustainable and profitable growth.

Corporate Team

1 **Carlos Ignacio Gallego Palacio**
Chief Executive Officer

2 **Jairo González Gómez**
Vice-President
General Counsel

3 **José Domingo Penagos Vásquez**
Vice-President of Corporate Finance

4 **María Adelaida Arango Hoyos**
Vice-President of Sustainable Development; General Director, Fundación Nutresa

5 **Catherine Chacón Navarro**
Investor Relations Director

6 **Diana Marcela Bernal Orozco**
Corporate Finance Director

7 **Blanca Milena Acevedo Serrano**
Internal Audit Manager

1

Prior Experience
- President of the 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.

2

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.

3

Prior Experience
- Corporate Finance Director, 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.

4

Prior Experience
- Cross-Organizational Marketing Project Director, Grupo Nutresa.
- Marketing Director of the Cold Cuts Business.

Academic Background
- Degree in Business Administration, Universidad Eafit.
- Master's Degree in Marketing, Distribution and Consumption, Universidad de Barcelona.

5

Prior Experience
- Senior Project Manager, Banca de Inversión Bancolombia.
- Project Manager, Industry and Commerce Direction Office, Banca de Inversión Bancolombia.

Academic Background
- MBA, IE Business School, Spain.
- Degree in Business Administration with an emphasis on managerial strategy, Berkeley College, United States.
- Distribution and Consumption, Universidad de Barcelona.

6

Prior Experience
- Industry and Commerce Director, Banca de Inversión Bancolombia.
- Financial Planning Manager, Fondo Inmobiliario Colombia.

Academic Background
- MBA with an emphasis on finance, Emory University, United States.
- Degree in Administrative Engineering, Escuela de Ingeniería de Antioquia.

7

Prior Experience
- Internal Audit Manager, Nueva EPS.
- Controller (Project Management and Internal Control), Everis Colombia.
- Auditing member in the firms: Deloitte and PriceWaterhouseCoopers.

Academic Background
- Corporate finance studies, Colegio de Estudios Superiores de Administración, CESA.
- Degree in Public Accounting, Universidad Autónoma de Bucaramanga.

Business Units Team

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

2 **Alberto Hoyos Lopera**
President, Biscuits Business
International Vice-President

3 **Juan Fernando Castañeda Prada**
President, Chocolates Business
Vice-President of Marketing and Sales - Dry Commercial Networks

4 **Miguel Moreno Múnera**
President, Coffee Business

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

6 **Juan Chusán Andrade**
President,
Retail Food Business

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

8 **Fabián Andrés Restrepo Zambrano**
President, Pastas Business
Digital Transformation Leader

9 **Juan Mauricio Montoya Correa**
President, Servicios Nutresa

1

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.

2

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

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

3

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.

4

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).

5

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.

6

Prior Experience
- General International Business Manager, Gastronomía y Negocios (GyN).
- New Business Director and General Manager for 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.

7

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.

8

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.

9

Prior Experience
- Financial Service and Information Technology Manager, Servicios Nutresa.
- Administrative and Financial Manager of the Pastas Business.
- Systems Development Director of the Chocolates Business.

Academic Background
- Degree in Systems Engineering, Universidad Eafit.
- Specialized studies in Finance, Universidad Eafit.

What industry are we part of?

Wellness, **nutrition** and pleasure through food.

Higher purpose

Building a better world where development benefits everyone

Value map 2030

Strategic goals

Our strategy is focused on doubling by 2030 the sales achieved in 2020, obtaining greater returns than the cost of capital used.

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, productive, committed and responsible people within a framework of sustainable development.

Grupo nutresa

2030 OBJECTIVE

DOUBLING OUR REVENUES

FROM 2020 TO 2030

With returns higher than the cost of capital

Mission

Grupo Nutresa's mission is increasing the generation of value, achieving a greater return on investments than the cost of the capital used.

1. Grupo Nutresa always strives to **improve the quality of life of the consumers and the progress of our people.**
2. Grupo Nutresa seeks **profitable growth with leading brands, superior service and excellent distribution networks.**
3. **Grupo Nutresa manages its activities based on its commitment to sustainable development,** with the best human talent, outstanding innovation and exemplary corporate behavior.

Differentiators of our business model

Our People

83,0%

Organizational climate at a level of excellence

Grupo Nutresa promotes participative environments, the development of skills focused on both being and doing, the acknowledgment of achievements, the construction of a brand of leadership and a balanced lifestyle for our people.

Our brands

20 brands

with sales over USD 50 million

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

Our market entry capabilities

1.540.189

customers

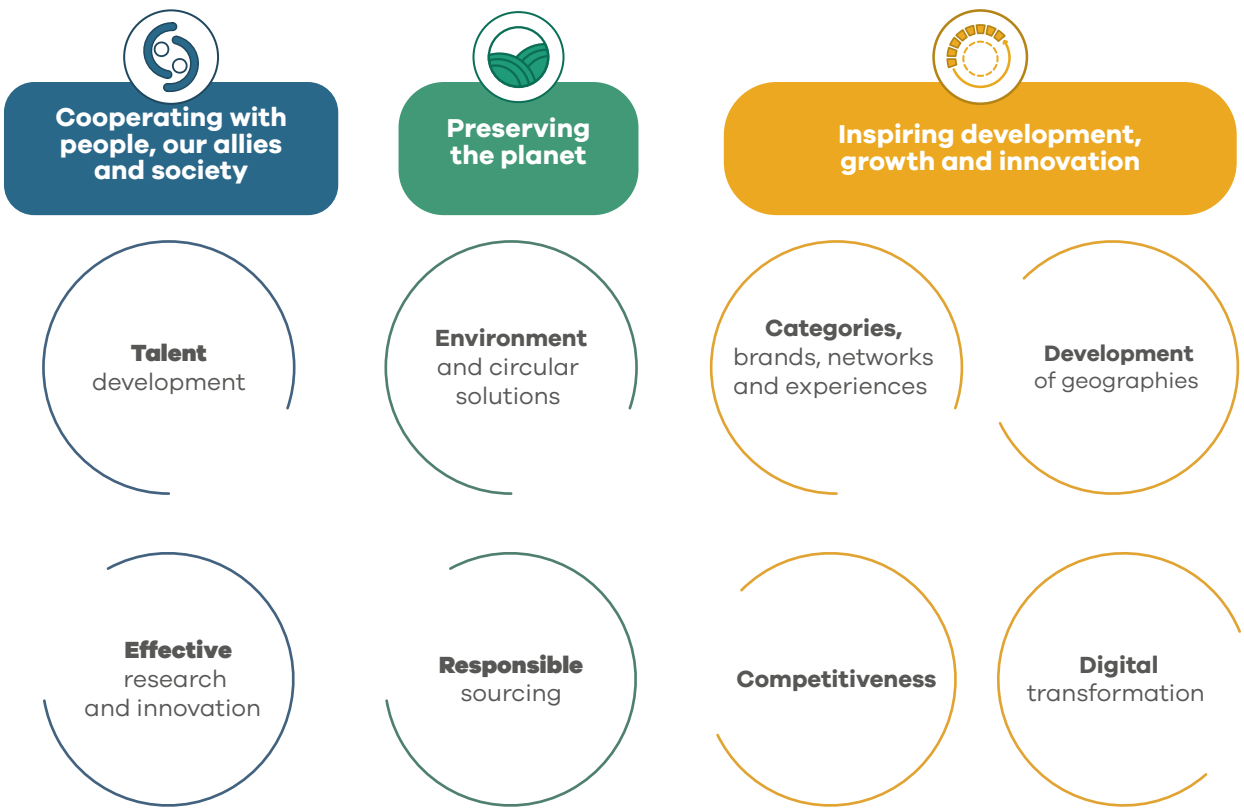
Grupo Nutresa's broad distribution network and market entry capabilities, with a product offer that is organized by channels and segments and with specialized service teams, allow us to have an excellent product availability in terms of frequency, as well as close relationships with our clients.

Leadership, talents and capabilities

based on our way of doing things with the Nutresa Talents

- **Achievement-driven** inspiration
- **Adaptability**
- **Mindset** without borders
- **Passion about** clients and consumers
- **Development** of both ourselves and other people
- **Sense of** collectivity
- **Sustainable** vision
- **Innovation** with value

The Organization strengthens the foundations for the development of capabilities



Corporate philosophy and performance [GRI 2-23]

Autonomy with strategic coherence

We make decisions in an agile manner according to the corporate goals and develop the potential of each Business and geography coherently to the Organization's objectives.

Good corporate governance

We have a transparent behavior and disclose reliable information on a timely basis, watching over the interests of our shareholders and always seeking a positive effect for all stakeholders within the framework of its Code of Corporate Governance. We have a conduct that is consistent with our Organization's reputation, striving to protect it at all times.

Responsible corporate citizenship

We manage our activities in a sustainable, feasible and fair manner with the purpose of not limiting the possibilities of future generations, reducing the impact of our activities on the environment and taking into account the expectations and needs of our stakeholders in the search for common well-being.

Productivity and competitiveness

We generate competitive advantages based on the differentiation and value of our brands, and on our market entry capabilities. Additionally, we manage the digital transformation so that it contributes to our development and productivity. We also strive to agilely and efficiently attract, develop and retain the best talent for the Organization, thus generating the transformations that improve the productivity of our employees, as well as in terms of processes and capital, always based on leading global practices.

Effective innovation

We encourage and recognize innovation, promote entrepreneurship and perform an adequate management of the innovation ecosystem. Additionally, we strengthen the generation, conservation, protection, transfer and application of knowledge throughout the Organization while our clients, customers, consumers and shoppers inspire us to innovate with the aim of offering them a differentiated high-value offer.

Employees from the Chocolates Business, Colombia.

Development of our talent

We boost the talent of our people through acknowledgment and respect for the beings and the education and training process, and we foster work environments and climates that stimulate productive work. We promote the comprehensive development of people, with a high level of care for life while managing diversity and inclusion, and we foster a global way of thinking and behaving driven by our leadership model.

Integrity

We act with integrity, manage with transparency and honesty, and lead by example while strictly complying with the law, policies, regulations and confidentiality commitments in all our operations and actions. Therefore, all our actions are consistent with the Organization's principles and values.

Collaborative management

We promote management with stakeholders supported by our skills and technology, and working through processes with clarity and opportunity, to generate value in all the geographies where Grupo Nutresa operates.

Respect

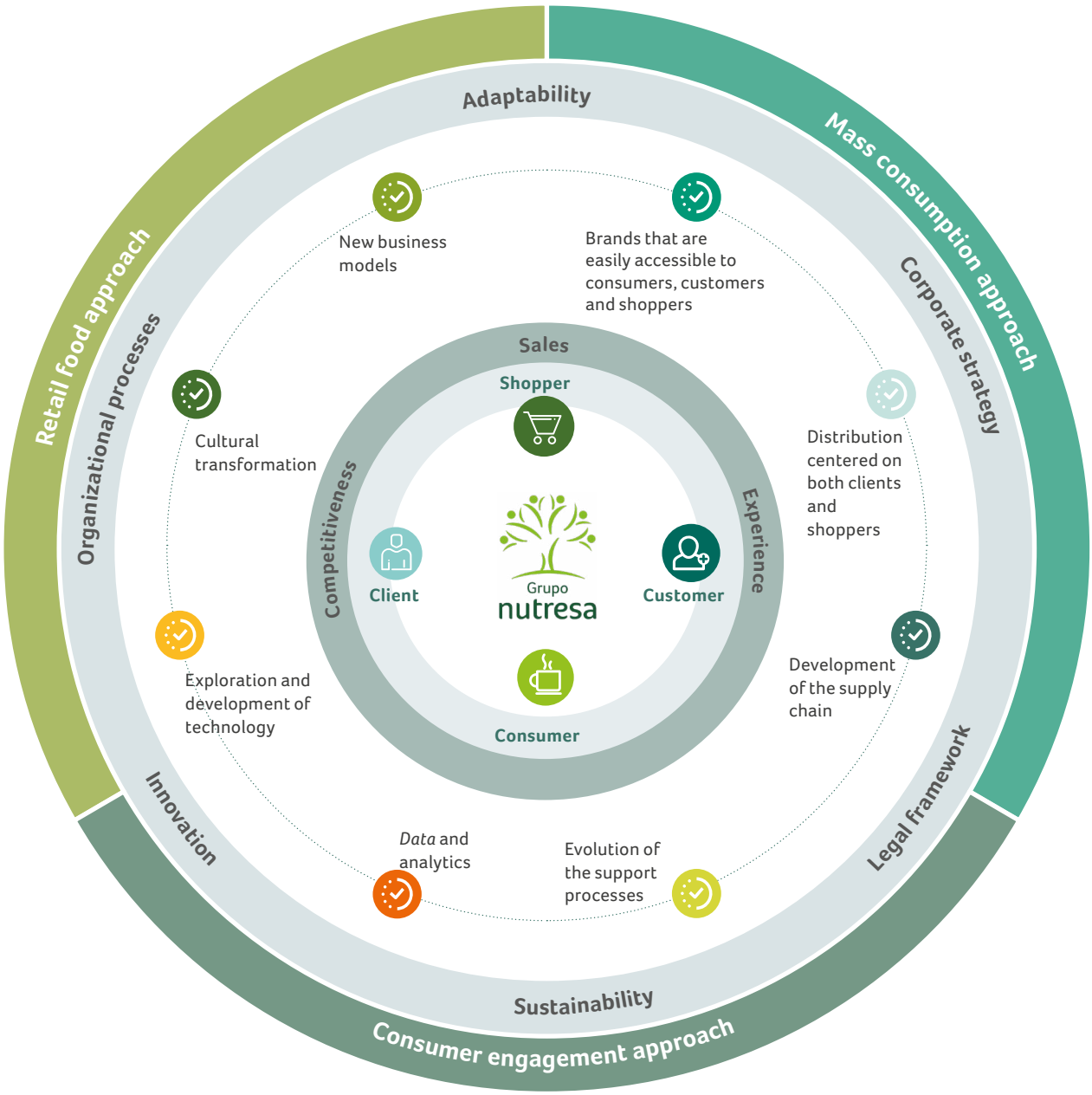
We acknowledge the individuality and dignity of human beings, and we treat each person accordingly. We do not discriminate based on race, age, nationality, creed, gender, social condition or other factors that may differentiate people. We listen carefully to the opinion of all related audiences and we are always open to having a constructive dialog.

Reliable food and healthy lifestyles

We take care of our products and ensure their safety, favoring good practices throughout the value chain and thoroughly complying with all sanitary and labeling regulations. In addition, we offer products and menus that provide the consumers with alternatives focused on nutrition and wellness, as well as on transparent communication and clear labeling. We always strive to ensure the satisfaction, wellness and nourishment of the consumers with safe high-quality products.

Digital transformation

Digital transformation is one of the vital corporate capabilities that enable the fulfillment of the Organization's goals for 2030. By making use of digital transformation, Grupo Nutresa works on achieving its own sustainability through the evolution of the culture and the incorporation of new working methods and business models, based on 4.0 technologies that improve the sales, the experiences and the competitiveness. In 2021, the Company consolidated the digital ecosystem, which is part of the corporate strategy for 2030, pacing emphasis on the clients, customers and consumers.



Transformation of the sales dynamics towards virtuality and the digitalization process for Novaventa's Entrepreneurs.

Comprehensive risk management and main business risks

[GRI 2-12] [GRI 2-23]

Risk assessment

In the process of consolidating the risk, trend and opportunity management model, the Organization laid special emphasis on improving its articulation with the corporate planning cycle and increasing the autonomy of its companies. The purpose of this action is to conduct the assessment and monitoring of strategic, operational, financial, climate and nature risks within the framework of the strategy for 2030.

In 2021, the exercise included analyses on the negative and positive impacts emerging from the social, political and economic context of the countries where Grupo Nutresa operates, from the COVID-19 pandemic and from the disruptions in the national and international sourcing chains on the 24 corporate risks and their associated risks.

Main risks	Mitigating actions
Volatility in commodity prices and exchange rates.	• Risk management performed and supported by a specialized team and committees formed by both internal and external members. • Coverage policies with defined risk levels and limits, adjusted to the dynamics of the market. • A highly trained human talent team exclusively focused on monitoring and negotiating commodities and exchange rates. • Automated hedging process that allows having real-time information and keeping the scenarios updated for the decision-making process. • Backtest *exercises* that allow measuring and boosting the efficiency and effectiveness of the hedging strategies. • Diversification of commodities, currencies, geographies and businesses. • Permanent exploration in search for new opportunities and models that allow ensuring an efficient and competitive global commodity sourcing process. • Risk analytics applied to the quantification of impacts in complex scenarios.
Negative impact of a highly competitive environment on the Businesses.	• Constant monitoring of trends for identifying opportunities and using the related information as input for the Businesses' strategy. • Development and enhancement of organizational capabilities focused on the market needs. • Brands and Networks Management Model based on the deep and integrated understanding of the market: consumers, shoppers, clients and customers. • Outstanding and differentiated experiences for consumers, shoppers, clients and customers with an excellent price-value ratio. • Leading brands that are highly recognized and appreciated. • Broad distribution network with value propositions differentiated by customer segment. • Programs focused on maintaining high levels of client satisfaction and loyalty. • Profitable market development based on consumer segmentation, understanding of shoppers and client segmentation. • High-value innovation and portfolio differentiation.
Regulatory environment with a negative impact on the business.	• Continuous monitoring of the Company's environment with the aim of adopting a proactive stance regarding possible shifts in regulations. • Involvement in the discussion and formulation of public policies. • Interdisciplinary Compliance Committee focused on defining and managing strategies and initiatives that ensure the regulatory compliance. • Adoption of Grupo Nutresa's Healthy Lifestyle Policy. • Understanding of the needs of the communities and their health and nutrition issues in order to contribute with alternative solution proposals. • Development of health and nutrition research that allows improving the quality of life of the population through innovative food propositions. • Supporting and participating in programs that promote healthy lifestyles. • Production and management of knowledge about food, eating habits and nutrition at Vidarium: Nutrition, health and well-being research center.

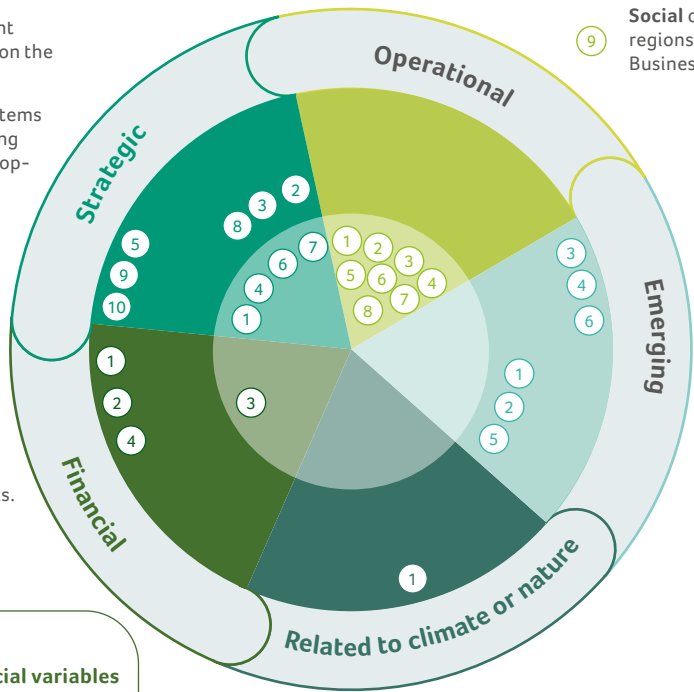
Corporate Risks

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

1. **Inadequate** formulation, implementation or understanding of the strategy.
2. **Lack of availability** of human talent with the required skills, committed and connected with the Organization's purpose.
3. **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, clients and customers.
4. **Not having** operating models that support and boost the development of Grupo Nutresa's strategy.
5. **Regulatory** environment with a negative impact on the business.
6. **Insufficient** access systems and channels for creating value for customers, shoppers and consumers.
7. **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.
8. **Ineffectiveness** in the adaptation and mitigation of climate-related risks and the transition to a low-carbon operation.
9. **Systematic** loss of trust in the food industry.
10. **Negative** impact of a highly competitive environment on the Businesses.

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

1. **Negative** impact on the integrity, safety or health of the employees in the performance of their jobs.
2. **Negative** impact on the environment.
3. **Impact** on third parties caused by the operations and/or the products.
4. **Regulatory** noncompliance.
5. **Interruption** to the operations, including technologies related to both information and communications.
6. **Internal** or external violations of Human Rights.
7. **Detriment** to information security.
8. **Ethical** offenses or inappropriate behavior of employees or third parties.
9. **Social** or political instability in the regions or geographies where the Business operates.



New risks currently developing or changing.

1. **Demographic** changes and their impact on the availability of human talent and the evolution of new working methods.
2. **Uncertainty** caused by the implementation of new technologies, growing dependencies on digital models and cybersecurity threats.
3. **Changes** in the preferences of consumers and shoppers.
4. **Transformation** of the engagement with stakeholders with greater empowerment and expectations due to social and economic changes.
5. **Vulnerabilities** due to the reconfiguration or ruptures of the global supply chain due to environmental or geopolitical factors.

1. **Volatility** of the prices of commodities and exchange rates.
2. **Counterpart-related** risks.
3. **Debt** and liquidity risks.
4. **Systemic** risk.

Related to the fluctuation of financial variables such as prices, exchange rates and interest rates, and to factors such as the liquidity and position of counterparts.

Risks caused by climate, hydrological, geophysical, biological and epidemiological conditions.

1. **Negative** impact caused by climate and natural phenomena.

Learn more about the comprehensive risk management ecosystem
Scan the code

Business model

Input

Financial capital
- **Market capitalization:** COP 13,1 trillion
- **Consolidated net debt:** COP 2,5 trillion
- **Equity:**COP 9,0 trillion

Industrial capital
- **Farms and plantations:** 7 directly owned and 207 through the integration model
- **Production plants:** 47 in 11 countries
- **Distribution centers:** 131
- **Restaurants:** 328 in Colombia
- **Ice cream shops:** 172 directly owned in Costa Rica and Guatemala, and 317 franchisees in the Caribbean

Human capital
- **Employees:** 47.199 in 17 countries
- **Employees undergoing digital *reskilling* or *upskilling processes:*** 2.831
- **STEM employees:** 1.956
- **Innovation promoters:** 450

Intellectual capital
- **Brands with sales over USD 50 million:** 20
- **Patents:** 12
- **Investment in innovation:** COP 167,4 billion
- **Open innovation projects:** 53
- **Certified sites:** 24 under the ISO 14001 standard, 28 under the ISO 9001 standard

Natural capital
- **Renewable energy usage:** 40,1%
- **Water usage:** 1,2 million m^3
- **Commodities/supplies:** 1.044.976 tons
- **Renewable packaging materials:** 85,7%

Social capital
- **Executive staff from local communities:** 91%
- **Supplier development projects:** 151
- **Education institutions developing capabilities:** 158
- **Projects focused on healthy lifestyles:** 3
- **Sustainable nourishment systems built:** 1.712

Businesses

Agricultural and livestock
- Livestock farming
- Fungiculture
- Experimental farms
- Strengthening of agricultural chains

Sourcing logistics and foreign trade
- Sourcing of local commodities, goods and services
- Import and export processes of commodities and products

Manufacturing
- Pantry
- Beverages
- Specialized nutrition
- Food products for restaurants
- Frozen and ready meals
- *Snacks*
- Culinary and ingredients
- Pet food

Commercialization and distribution logistics
- Land transport
- Storage
- Commercialization
- e-commerce

Retail
- Restaurants
- Ice cream shops
- Experience shops

Strategic alliances

Bimbo	Bimbo de Colombia
Alpina	La Recetta* Atlantic Foods*
Mitsubishi Corporation	Oriental Coffee Alliance Dan Kaffe
Alsea Colombia	Estrella Andina (Starbucks)
Badia Spices	Basic Kitchen*

* Controlled operations

Sustainable development

Growing value generation

Output

Agricultural and livestock

- Beef and pork
- Common, shiitake and portobello mushrooms
- Cocoa
- Top quality in: cocoa, sesame seeds, cashew nuts and coffee

Sourcing logistics and foreign trade

- Import and export solutions

Manufacturing

- Cereal bars
- Sports drinks
- Beverages and juices
- Coffee and instant mix products
- Soft capsules and gums
- Cereals
- Hot chocolates
- Nutritional supplements
- Cookies and crackers
- Jelly products
- Chocolate confectionery
- Regular and water-based ice cream products
- Infusions (herbal tea products)
- Juices and nectars
- Milk modifiers
- Nuts and trail mixes
- Panettones
- Snacks
- Classic and stuffed pasta products
- Pasta with sauce or instant pasta products
- Flavored pasta products and specialties
- Fish and shellfish
- Ready meals
- Meat products
- Prepared products of vegetable origin
- Vegetable products
- Vegetable protein
- Cheese
- Pastry
- Sauces
- *Baked* snacks
- Soups, cream-style soups and broths
- Dry feed for farm animals
- Dry food for pets

Commercialization and distribution logistics

- Merchandise transport
- Trading solutions

Retail

- Burger bars
- Pizzerias
- Steakhouses
- Ice cream shops

Strategic alliances

- Condiments
- Bakery and pastry
- Premium *meats*
- Coffee
- Coffee shops
- Trading solutions

STEM: * Science, technology, engineering and mathematics.
Commodities/supplies: Coffee, meat products, wheat, cocoa, oils, fats, soy, sugar, milk.

Results

Cooperating with people, our allies and society

- **37,1%** of innovations focused on health and nutrition
- **17,2%** of innovation-driven revenue
- **44,9/MH** in terms of productivity
- **83%** organizational climate rating
- **3,60 LTIFR**** among direct employees
- **6,42 LTIFR**** among third-party employees
- **944** small farmers have received training related to socio-entrepreneurial matters
- **9,359** students benefited

Preserving the planet

- **-5,52%** variation in non-renewable energy usage*
- **1,8%** variation in water usage*
- **-7,49%** variation in the emissions of GHG*
- **49%** commodities sourced in a productive and sustainable manner while preserving the biodiversity
- **-7,5%** variation in food loss and **-25,4%** variation in food waste

Inspiring development, growth and innovation

- ROIC: **9,1**
- Free cash flow: **553.529 million**
- **COP 12.738** million in total sales
- **53,7%** market share in Colombia and **57,5%** in the strategic region
- **Included** in the Dow Jones Sustainability World Index
- **Gold Class** in the S&P Global Sustainability Yearbook
- **Investor Relations** (IR) Acknowledgment

* With regard to the 2020 baseline per ton produced.
** For every million hours worked.

Business performance

Cold Cuts Business

Biscuits Business

Chocolates Business

Coffee Business

Tresmontes Lucchetti

Grupo Nutresa strives to achieve sustainable and productive sourcing processes.

•

Cocoa seedlings in the state of Cesar, Colombia.

Retail Food Business	Ice Cream Business	Pastas Business	Dry Commercial Networks	Servicios Nutresa

PRESIDENT

Part of Grupo Nutresa since 1997.

Diego Medina Leal
61 years old.

- All the categories exhibited outstanding increases in terms of sales: cold cuts, 8,6%; long shelf-life products, 10,6%; ready meals, 6,5%; marinated meats, 61,2%; and vegetable protein products, 18,9%.
- The Business ventured into new international markets with Kibo vegetable protein products and Zenú's new portfolio in Panama. Additionally, the development of strategies was maintained in order to strengthen the exports of fresh meats to Jordan, Chile and Central American countries.
- Progress was made in the diagnosis of good environmental practices regarding bovine livestock in more than 90% of the integrated livestock ranches in Colombia.
- The Business entered and expanded its presence in categories with high-value nutritional profiles: vegetable proteins, avocado spread products & *hummus*, and fish & shellfish, with accrued sales that amounted to COP 27.790 million.
- Progress was achieved in the reduction of the content levels of sodium and saturated fats for the main products in Grupo Nutresa's portfolio.
- A high score was attained in the organizational climate measurement: 87%. The employees' physical and mental self-care was fostered by means of multiple strategies focused on their wellness and quality of life.

Cold Cuts Business

sales
COP thousand million

Total sales

	2021	2020	2019	% of growth
	9,8%	12,2%	3,4%	
	2.356	2.145	1.912	
CAGR	11,0%			

The Cold Cuts Business represents **18,5%** of Grupo Nutresa's total sales.

Sales in Colombia

	2021	2020	2019	% of growth
	11,0%	11,2%	3,1%	
	2.141	1.929	1.734	
Price	5,6%	5,0%	-0,4%	
Volume	5,1%	5,9%	3,6%	
CAGR	11,1%			

The sales in Colombia represent **90,9%** of the Business's total sales.

Sales abroad

USD million

	2021	2020	2019	% of growth
	-2,2%	8,7%	-5,0%	
	57	59	54	
CAGR	3,1%			

The sales abroad represent **9,1%** of the Business's total sales.

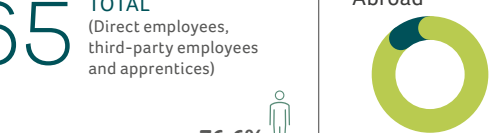
EBITDA
COP thousand million

	2021	2020	2019	% of growth
	-20,0%	19,6%	4,2%	
	227	284	238	
Margin	9,6%	13,2%	12,4%	
CAGR	-2,2%			

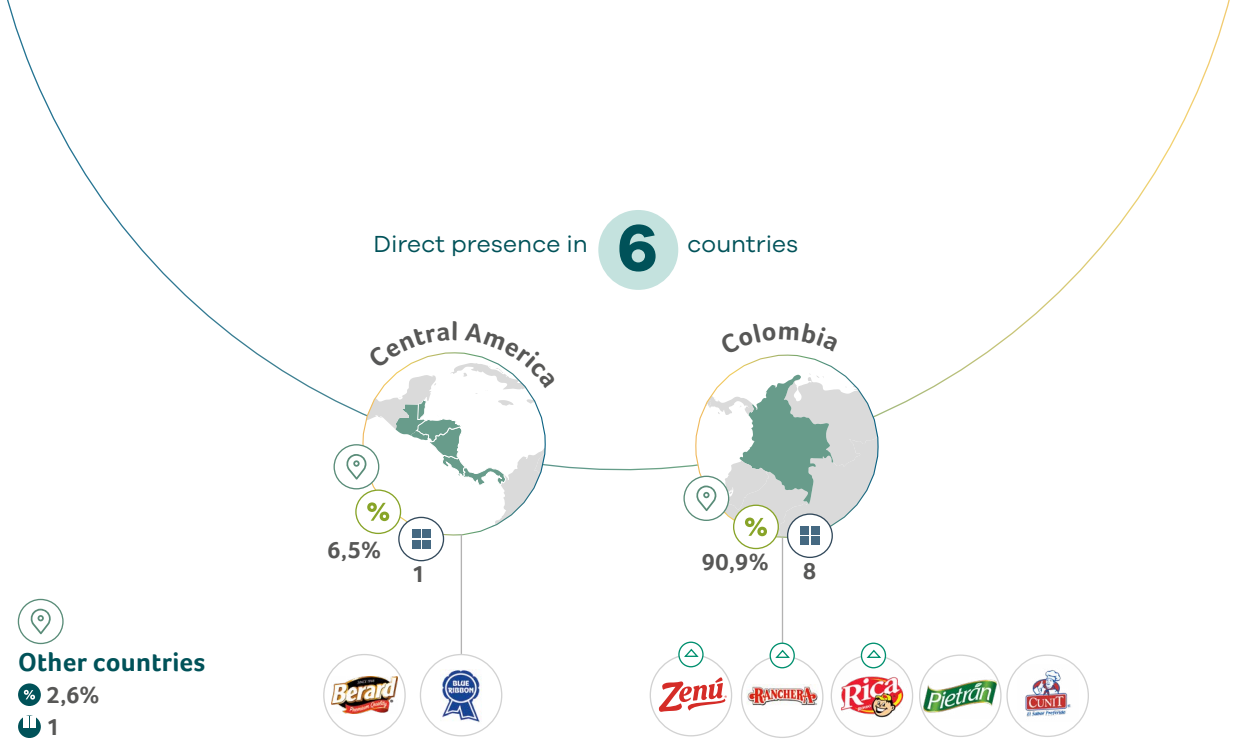
The Cold Cuts Business represents **14,8%** of Grupo Nutresa's EBITDA.

Employees

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



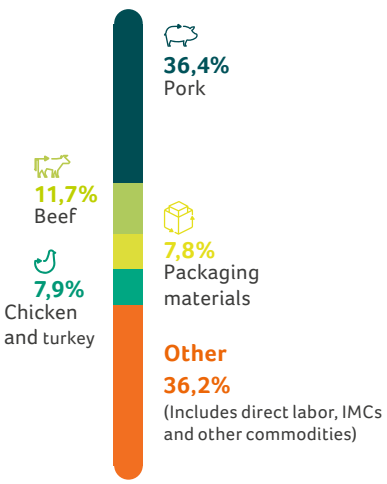
(Direct employees, third-party employees and apprentices)



Captions [GRI 2-6]

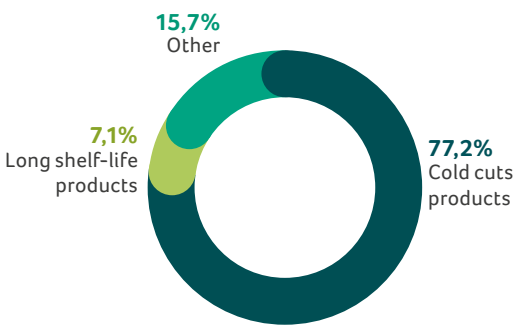
- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

Commodities and other supplies



Main categories

(% of total sales)



Market share in Colombia

Business Outlook

- Strengthening the presence of the categories and brands in the current markets, and venturing into international markets of interest such as the U.S. and Central America.
- Implementing new programs to improve the recyclability ratios of the products, and developing solutions centered on nutrition and health.
- Maintaining programs that foster the care for the employees through leading practices in the operations and the promotion of self-care.
- Delving into the deployment of activities focused on mitigating the impact on the increase in the cost of the commodities and improving the business profitability.

PRESIDENT

Part of Grupo Nutresa since 1993.

Alberto Hoyos Lopera
57 years old.

- The Business promoted wellness and healthy habits among 590 employees through the School of Nutrition.
- Naturela's productive linkage was strengthened with small producers of turmeric, spirulina and cardamom in five Colombian states with the aim of improving the quality and sourcing of its supplies.
- The Organization completed the construction of the C3 production plant in Colombia, which is intended to improve Grupo Nutresa's competitiveness.
- The energy efficiency of Pozuelo's ovens 2 and 4 was improved, resulting in 2,5% savings in terms of the monthly usage of liquefied petroleum gas.
- The solar energy installed capacity was expanded to reach 620.000 KWh/year, which represents 1,38% of the Business's total electric power usage.
- The Business reached a 90% level regarding the recovery and reuse of waste, thus increasing it by 10% with regard to 2020.
- The outreach amounted to 21,8 million of contacts, 94% more than in 2020, and produced a positive impact on 420 education institutions and 37.400 children through the "Mundo Noel" and "Mundo Pozuelo" digital strategies.

Biscuits Business

Sales

COP thousand million

Total sales

	2021	2020	2019	CAGR
% of growth	1,1%	9,6%	11,3%	
	2.249	2.224	2.029	5,3%

The Biscuits Business represents **17,7%** of Grupo Nutresa's total sales.

Sales in Colombia

	2021	2020	2019	CAGR
% of growth	5,4%	4,7%	9,1%	
	1.081	1.026	980	5,0%
Price	7,7%	3,2%	0,6%	
Volume	-2,2%	1,5%	8,4%	

The sales in Colombia represent **48,1%** of the Business's total sales.

Sales abroad

USD million

	2021	2020	2019	CAGR
% of growth	-3,8%	1,4%	2,1%	
	311	324	319	-1,2%

The sales abroad represent **51,9%** of the Business's total sales.

EBITDA

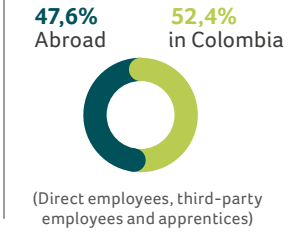
COP thousand million

	2021	2020	2019	CAGR
% of growth	-32,0%	8,9%	13,5%	
	205	301	277	-13,9%
Margin	9,1%	13,5%	13,6%	

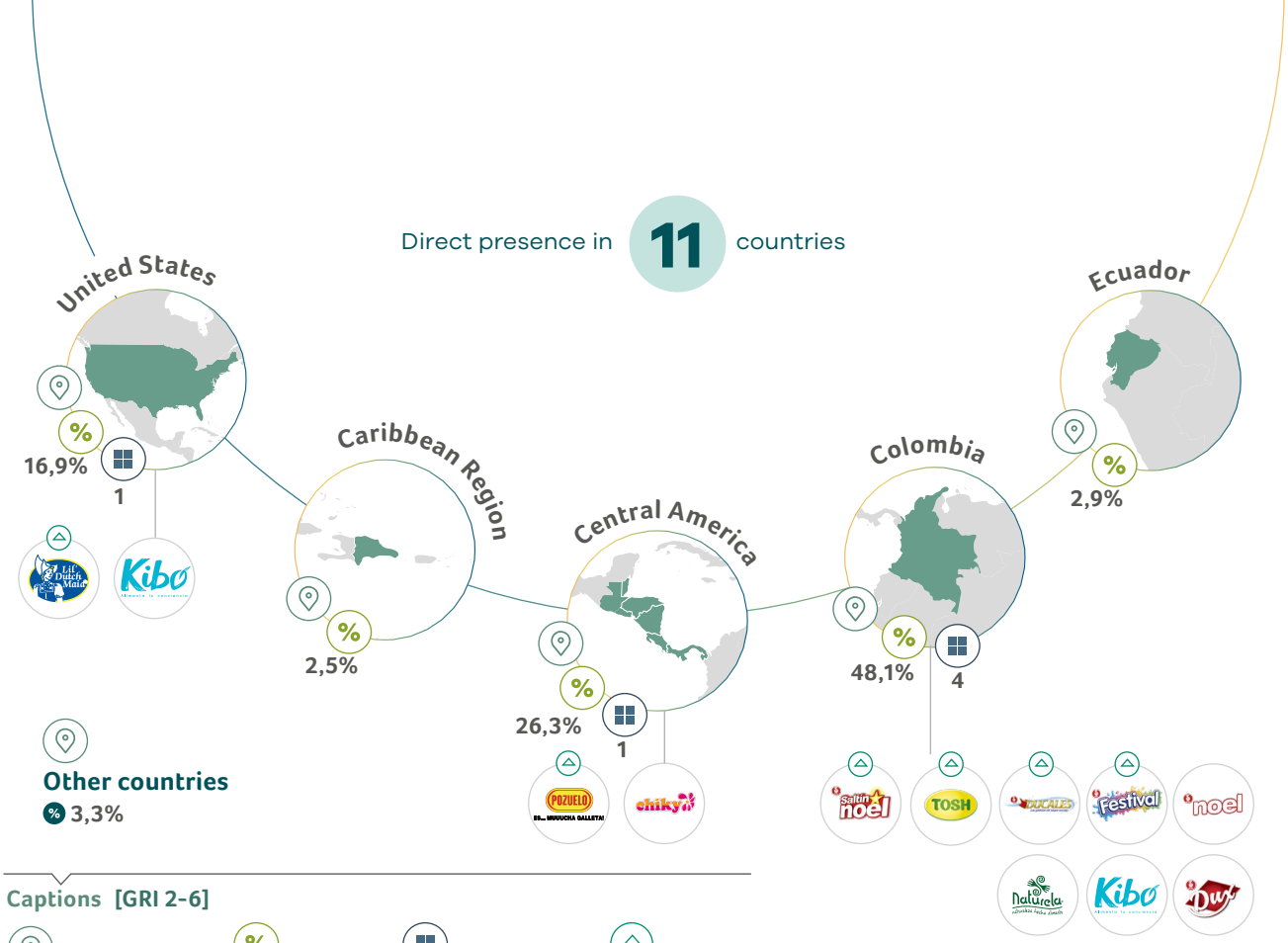
The Biscuits Business represents **13,4%** of Grupo Nutresa's EBITDA.

Employees

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



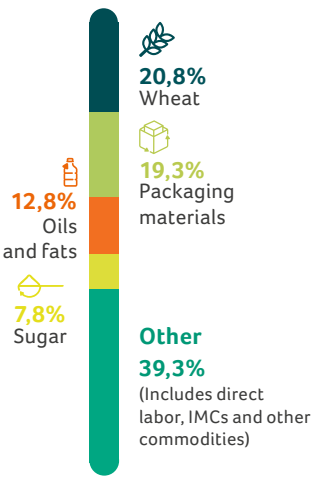
(Direct employees, third-party employees and apprentices)



Captions [GRI 2-6]

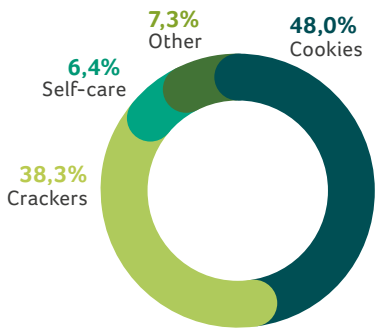
- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

Commodities and other supplies



Main categories

(% of total sales)



Market share in Colombia

Business Outlook

- Reducing the environmental impact and making progress in the process of closing the cycle of commodities and packaging materials through eco-design practices.
- Incorporating a new production capacity in Santa Marta (GCFoods), Colombia, as leverage for both competitiveness and growth.
- Increasing the sales share in brands of wellness and nutrition products.
- Improving the profitability of the Business through the management of both commodities and the internal productivity.

PRESIDENT

Part of Grupo Nutresa since 2011.

Juan Fernando Castañeda Prada
54 years old.

- Significant progress was achieved in the product reformulation plan by reducing the contents of sodium, sugar and saturated fats in the portfolio.
- The organizational climate measurement was improved by achieving a rating of 86%, which represents a level of excellence with regard to global benchmarks.
- 18.803 cocoa producer families with 33.678 hectares of cocoa plantations from 22 Colombian states benefited from the Organization's agricultural promotion program and 119 strategic alliances.
- The Business secured the Carbon Neutrality Plus certificates for its production plant in Costa Rica, as well as the Blue Certificate for its production plant in Lima, Peru, as a result of the Organization's responsible use of water resources.
- Progress was made in the implementation of Grupo Nutresa's eco-design manual for the Business's innovations, thus achieving a coverage of 316 SKUs.
- The waste recovery and reuse rate of the Business reached 92%, increasing by 5 points regarding the past year.
- Our leading brands contributed 89% of the growth achieved by the Business.

Chocolates Business

Sales
COP thousand million

Total sales

	2021	2020	2019	CAGR
% of growth	13,1%	3,6%	8,0%	
	1.965	1.737	1.677	8,3%

The Chocolates Business represents **15,4%** of Grupo Nutresa's total sales.

Sales in Colombia

	2021	2020	2019	CAGR
% of growth	10,3%	3,7%	5,8%	
	1.156	1.048	1.011	7,0%
Price	7,3%	1,7%	2,4%	
Volume	2,9%	2,0%	3,4%	

The sales in Colombia represent **58,9%** of the Business's total sales.

Sales abroad

USD million

	2021	2020	2019	CAGR
% of growth	14,9%	-7,4%	0,5%	
	215	187	202	3,2%

The sales abroad represent **41,1%** of the Business's total sales.

EBITDA
COP thousand million

	2021	2020	2019	CAGR
% of growth	13,0%	0,2%	-7,0%	
	263	232	232	6,4%
Margin	13,4%	13,4%	13,8%	

The Chocolates Business represents **17,1%** of Grupo Nutresa's EBITDA.

Employees

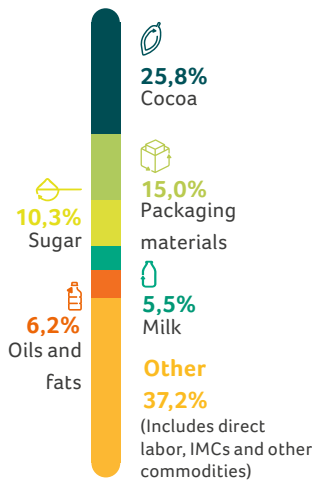
4.536 TOTAL
(Direct employees, third-party employees and apprentices)

38,1% — 61,9%
Direct employees

45,1% Abroad
54,9% in Colombia

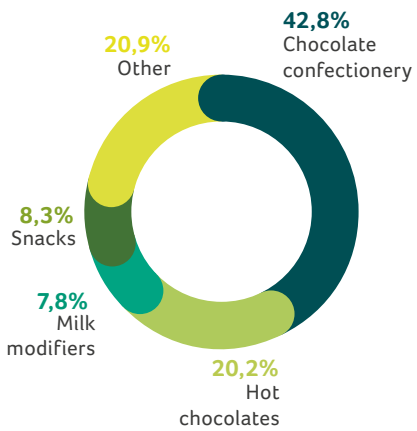
(Direct employees, third-party employees and apprentices)

Commodities and other supplies

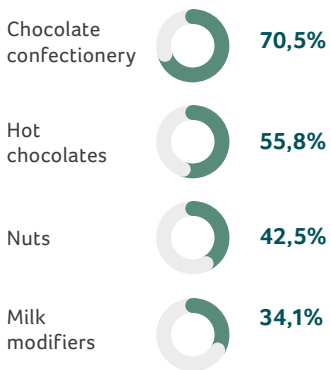


Main categories

(% of total sales)



Market share in Colombia



Business Outlook

- Concentrating our efforts on the growing generation of value by strengthening our organizational capabilities.
- Adequately managing the brands, the networks and the innovation in the multiple categories and geographies where Grupo Nutresa participates in order to achieve greater growth and competitiveness.
- Enhancing the Organization's culture, maintaining the level of excellence in terms of organizational climate, and reinforcing the development of competences among all employees.

PRESIDENT

Part of Grupo Nutresa since 2003.

Miguel Moreno Múnera
44 years old.

- An 18,3% growth rate was achieved in terms of sales, which amounted to COP 1.883 thousand million. 58,2% of the sales were made outside Colombia.
- In the United States, it is worth highlighting our brand Cameron's, which achieved a growth rate higher than the category's rate and consolidated itself as one of the top 20 brands in the country.
- The sourcing strategy was reinforced and the long-term relations with suppliers were strengthened, thus managing a challenging year regarding the price of coffee, which increased by 80% (NY reference price).
- The Business invested in a new roasting technology that increases its capacity, reduces the usage of energy by 9,3%, and decreases the emissions of greenhouse gases by 12,8%.
- Water usage was optimized and the soluble solid waste from coffee was recovered and re-purposed. This initiative will allow Grupo Nutresa to save more than 20.000 cubic meters of water per year.
- The Organization was acknowledged as one of the INspiring Companies 2021 by the ANDI Foundation and was granted the Gold Seal by the IDeal Foundation for the Company's practices focused on the inclusion of people with disabilities.
- 93% of the employees from the operations in Colombia have already been vaccinated against COVID-19.

Coffee Business

Sales

COP thousand million

Total sales

	2021	2020	2019	
% of growth	18,3%	31,5%	22,8%	
	1.883	1.591	1.210	
				24,7% CAGR

The Coffee Business represents **14,8%** of Grupo Nutresa's total sales.

Sales in Colombia

	2021	2020	2019	
% of growth	19,4%	-0,1%	6,0%	
	788	660	660	
Price	6,0%	3,7%	0,1%	9,2% CAGR
Volume	12,6%	-3,6%	5,9%	

The sales in Colombia represent **41,8%** of the Business's total sales.

Sales abroad

USD million

	2021	2020	2019	
% of growth	16,3%	51,0%	35,1%	
	292	251	166	
				32,5% CAGR

The sales abroad represent **58,2%** of the Business's total sales.

EBITDA

COP thousand million

	2021	2020	2019	
% of growth	3,2%	53,9%	43,5%	
	225	218	141	
Margin	11,9%	13,7%	11,7%	26,1% CAGR

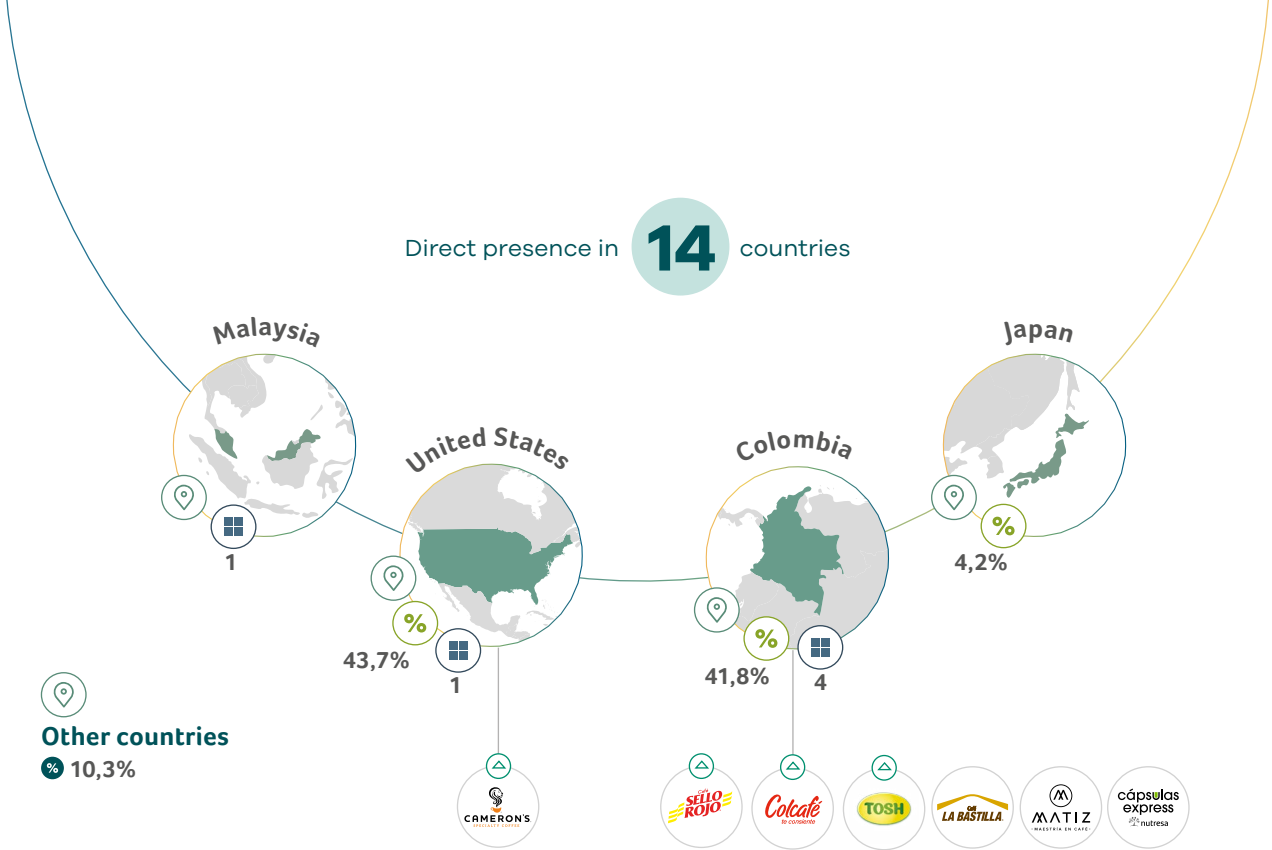
The Coffee Business represents **14,7%** of Grupo Nutresa's EBITDA.

Employees

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

6,1% Abroad
93,9% in Colombia

(Direct employees, third-party employees and apprentices)



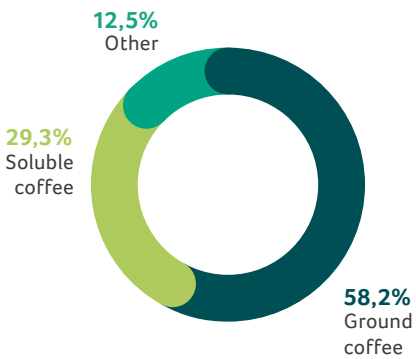
Captions [GRI 2-6]

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

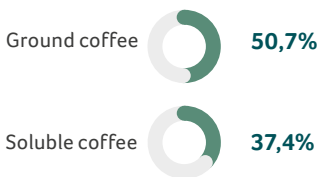
Commodities and other supplies

Main categories

(% of total sales)



Market share in Colombia



Business Outlook

- Creating value for the Organization through sustainable actions.
- Continue consolidating brands that have a high availability level and are appreciated by the consumers in Colombia, Latin America and the CAM region.
- Developing appraised and differentiated businesses (ingredients B2B and private brands) based on long-term business relationships focused on the United States and Asia.
- Boosting our brand Cameron's in the United States and developing new brands.

PRESIDENT

Part of Grupo Nutresa since 2013.

Justo García Gamboa
60 years old.

- The Business achieved efficiencies in terms of costs through co-distribution alliances in the traditional channel.
- High-value snacks categories were boosted with the expansion of Kryzpo/Muibon 2.0 and the revenue from the Fruit - Pouch *snack*, as well as the high-value coffee segment with pods and lyophilized products.
- The supply chain was strengthened to ensure the Business meets the demand driven by the pandemic, the worldwide shortage of commodities and the impact of the shipping logistics.
- The Organization secured its inclusion into the Scale 360 Program of the World Economic Forum with the aim of leading the transition to a circular economy.
- The Company signed the national agreement for the clean production of packaging solutions with the seal "Elijo Reciclar" (I choose to recycle) for the Lucchetti and Talliani pasta products, promoted the recycling of flexible plastic materials, and granted scholarships for the certification of base-level recyclers.
- The usage of certified green electric power was increased to 98% in the production operations in Chile.
- The Business launched the "Crecemos Juntos" (Growing together) program with the purpose of improving the vulnerability conditions of the employees and their families.

Tresmontes Lucchetti

Sales
COP thousand million

Total sales

	2021	2020	2019	
% of growth	7,6%	7,2%	4,8%	
	1.203	1.117	1.042	
				7,4% CAGR

Tresmontes Lucchetti represents **9,4%** of Grupo Nutresa's total sales.

Sales abroad

USD million

	2021	2020	2019	
% of growth	6,5%	-5,3%	-5,8%	
	321	301	318	
				0,5% CAGR

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

EBITDA
COP thousand million

	2021	2020	2019	
% of growth	2,0%	2,4%	9,7%	
	148	145	142	
Margin	12,3%	13,0%	13,6%	2,2% CAGR

Tresmontes Lucchetti represents **9,6%** of Grupo Nutresa's EBITDA.

Employees

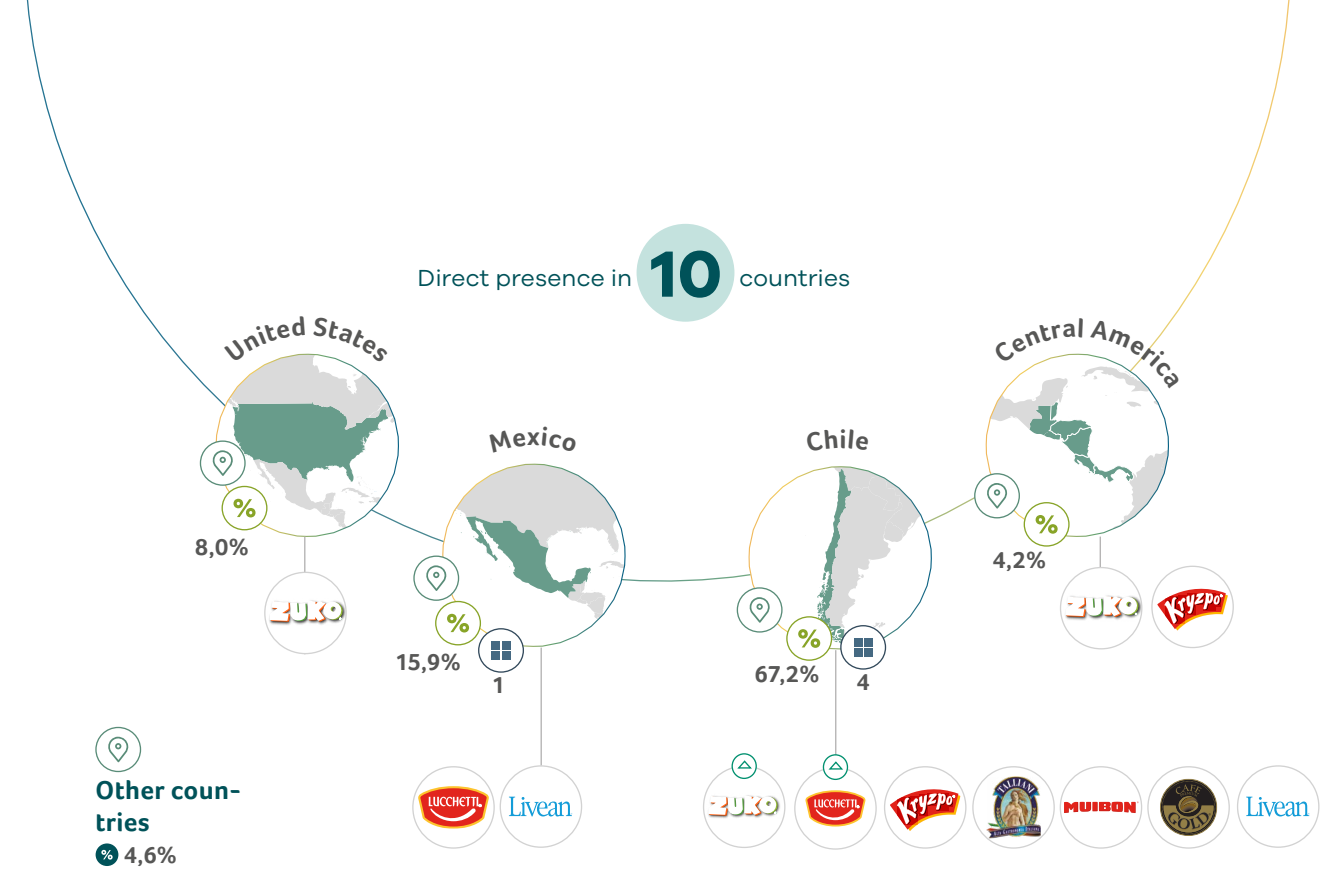
4.396 TOTAL
(Direct employees, third-party employees and apprentices)

36,3% | 63,7%

Direct employees

100% Abroad
0% in Colombia

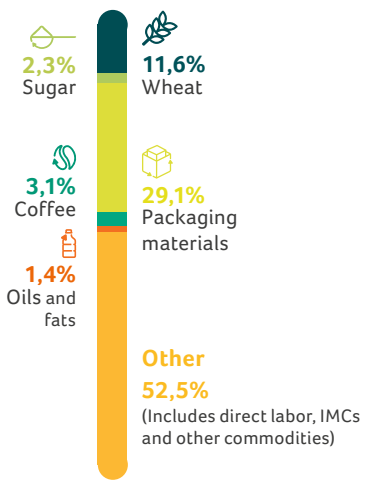
(Direct employees, third-party employees and apprentices)



Captions [GRI 2-6]

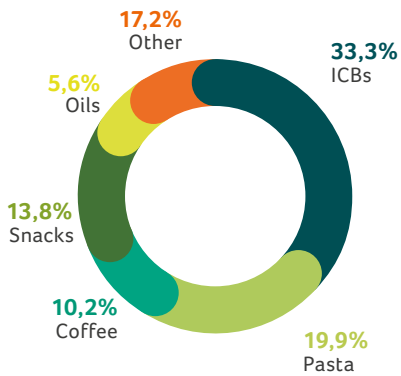
- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

Commodities and other supplies

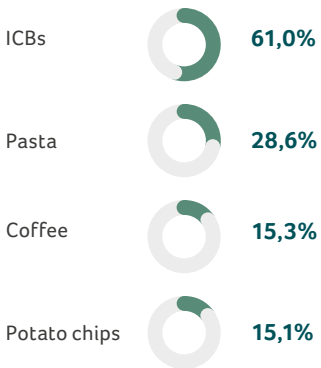


Main categories

(% of total sales)



Market share in Chile



Market share in Mexico

Business Outlook

- Fostering profitable growth by boosting current categories and launching relevant innovations in the geographies of Chile and Mexico; as well as increasing the value of the brands and the number of leading brands while expanding the *core* categories and the omnichannel methodology.
- Boosting the networks with diversified value propositions and getting adapted to the trends of the *e-commerce channel*.
- Timely managing the sourcing chains to deal with the challenging worldwide conditions of the *commodities*, containers and logistics chains.

PRESIDENT

Part of Grupo Nutresa since 2013.

Juan Chusán Andrade
57 years old.

- Total sales amounted to COP 964 billion, which represents an increase of 46% with regard to 2020.
- Digital menus and kitchen monitoring systems were implemented, thus improving the consumers' experience at the El Corral points of sale.
- The service experience was enhanced using artificial intelligence (*chatbot solutions*) at El Corral and Papa John's.
- The Business reduced by 62,7% the emissions of CO_2 at the meats and dough processing plants thanks to the transition to cleaner energies.
- Products based on vegetable protein were developed under the "Corral VEK" concept to offer different options to the customers.
- The Organization fostered the inclusion-based and diverse work culture by creating jobs for young people and women, and hiring people with disabilities.
- Both the in-person and remote channels were strengthened as part of the multi-channel strategy, thus bringing the customers closer to each one of the brands.
- The productivity at our points of sale was increased by creating new digital brands and consumer moments.
- The Business's presence in the target region was boosted by exporting products to 10 countries from the Caribbean Region and North America.
- A supply chain model was implemented based on a demand-guided planning and sourcing strategy.

Retail Food Business

Sales
COP thousand million

Total sales

2021	2020	2019	% of growth
964	660	815	
46,0%	-18,9%	10,4%	
			8,8% CAGR

The Retail Food Business represents **7,6%** of Grupo Nutresa's total sales.

Sales in Colombia

2021	2020	2019	% of growth
660	437	563	
51,1%	-22,5%	8,0%	
			8,2% CAGR

The sales in Colombia represent **68,4%** of the Business's total sales.

Sales abroad

USD million

2021	2020	2019	% of growth
81	61	77	
32,4%	-20,2%	4,8%	
			2,8% CAGR

The sales abroad represent **31,6%** of the Business's total sales.

EBITDA
COP thousand million

2021	2020	2019	% of growth
225	83	184	
172%	-55,1%	115,7%	
			10,6% CAGR
Margin 23,3%	12,5%	22,6%	

The Retail Food Business represents **14,7%** of Grupo Nutresa's EBITDA.

Employees

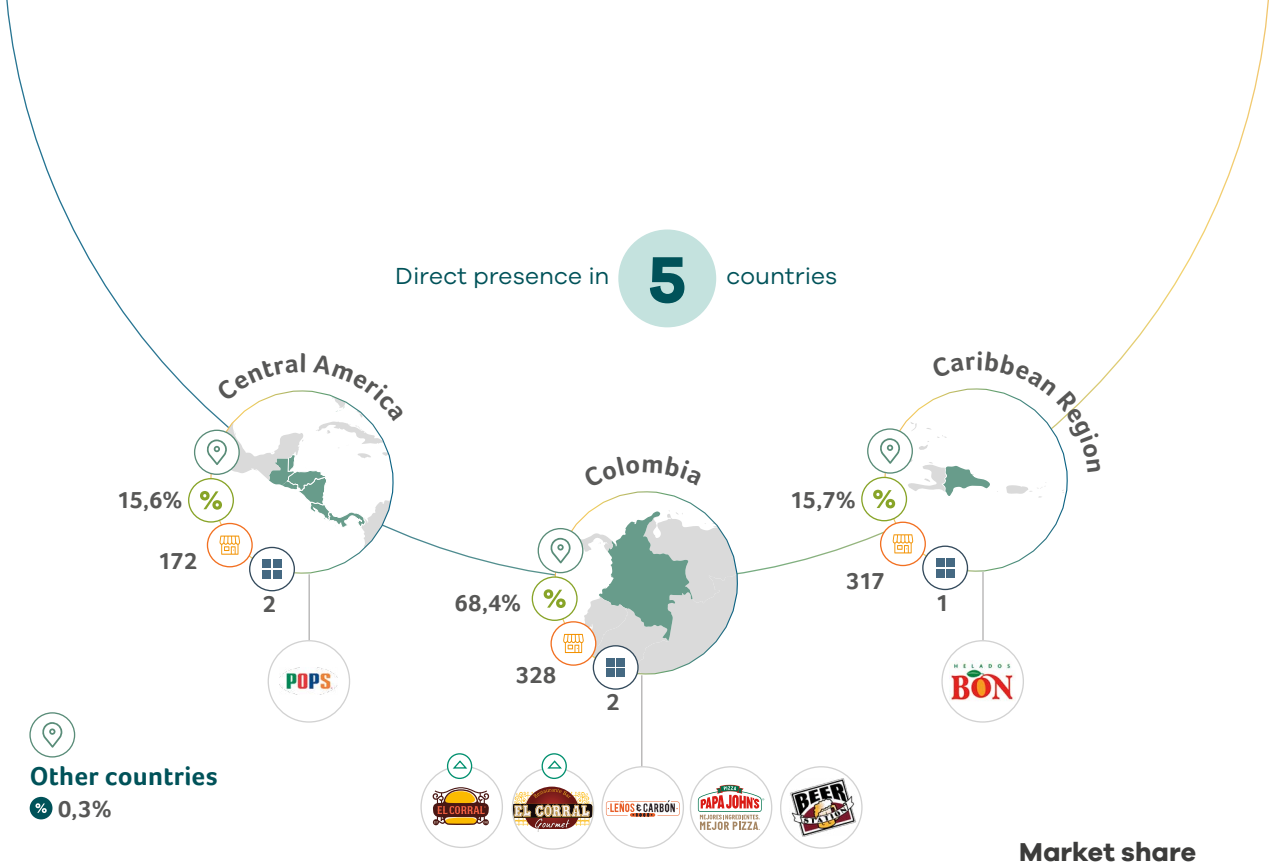
7.107 TOTAL
(Direct employees, third-party employees and apprentices)

57,6% 42,4%

Direct employees

22,0% Abroad
78,0% in Colombia

(Direct employees, third-party employees and apprentices)



Market share

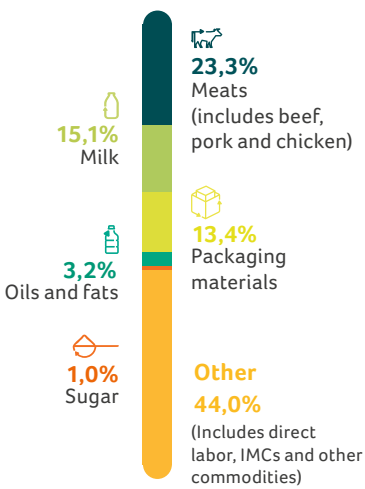
#1: In the hamburger category in Colombia, and in ice cream shops in Costa Rica and the Dominican Republic.

#2: In the steakhouse category in Colombia.

Captions [GRI 2-6]

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

Commodities and other supplies



Business Outlook

- Enhancing the capabilities of the employees as a differentiating attribute in the industry with the aim of offering the best service and experience.
- Developing and consolidating flexible capabilities and operational models that allow the Business to continue being market leaders.
- Transforming the consumer experience in an omnichannel system by developing new markets and product categories that generate asset profitability and enhance both physical and digital capabilities.
- Improving the consumer experience through advanced analytics with the purpose of creating high-impact strategies.

PRESIDENT

Part of Grupo Nutresa since 2006.

Mario Alberto Niño Torres
55 years old.

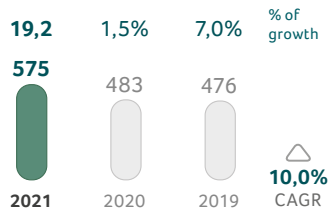
- The Business maintained the leadership and the value of the Crem Helado brand, and achieved a 25% growth rate with the pivot brands Polet, Bocatto, Aloha and Drácula.
- Progress was made in terms of the digital transformation capacity with the implementation of *big data* and analytics in the business management of the points of sale.
- Eco-efficiency projects and practices were successfully reinforced, thus achieving reductions regarding 2020 in the usage of energy (-4%) and water (-9%), as well as in waste production (-11%) and GHG emissions (-40%).
- The acquisition of 7.090 freezer units that use environmentally friendly refrigerant agent R290 was completed, thus achieving an approximate reduction of 25% in the energy usage.
- 20% of the total sales were innovation-driven sales.
- The nutritional profiles of the portfolio were improved with the formulation of nine ice cream product items and the launch of three innovations focused on nutrition and health.
- Progress was achieved in gender equality by hiring 264 women for job positions usually filled by men.

Ice Cream Business

Sales

COP thousand million

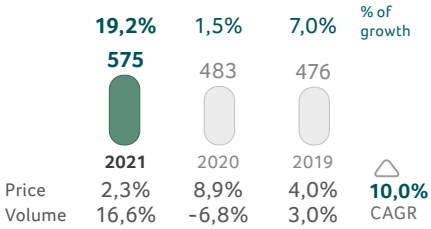
Total sales



The Ice Cream Business represents

4,5% of Grupo Nutresa's total sales.

Sales in Colombia

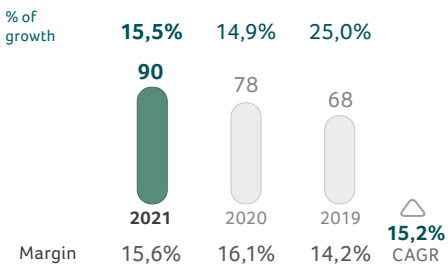


The sales in Colombia represent

100% of the Business's total sales.

EBITDA

COP thousand million

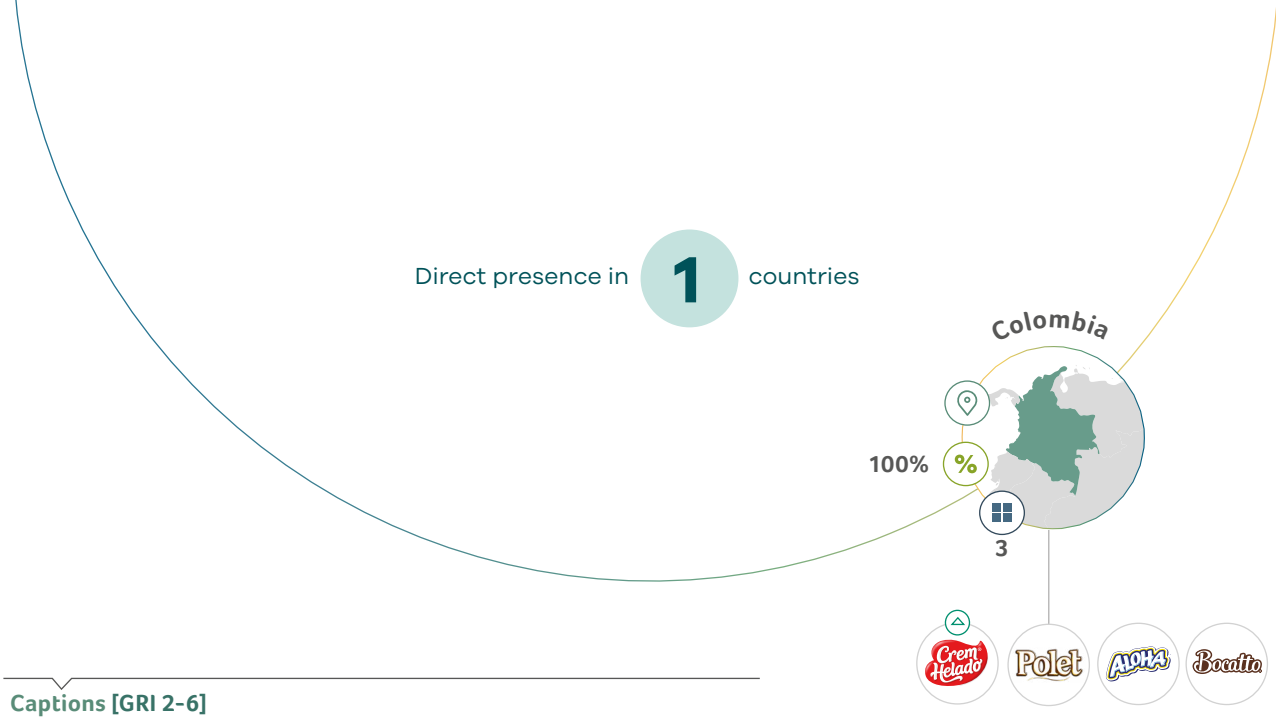


The Ice Cream Business represents

5,9% of Grupo Nutresa's EBITDA.

Employees

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



Captions [GRI 2-6]

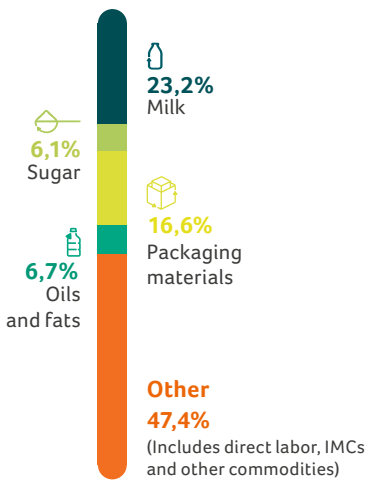
Presence of our main brands

% of the Business's sales

Number of production plants

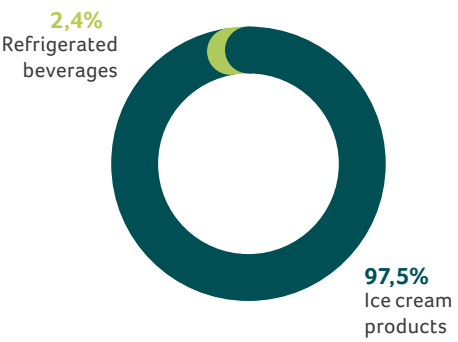
Brands with sales over USD 50 million

Commodities and other supplies



Main categories

(% of total sales)



Business Outlook

- Keep strengthening Grupo Nutresa's adaptive and flexible culture.
- Continue developing eco-efficient technologies and circular economy initiatives to reduce the usage of natural resources.
- Enhancing the Business's competitiveness and contributing to the Organization's and its stakeholders' growth based on intrapreneurship and digital transformation.
- Making progress in the process of entering new categories and geographies that contribute additional layers to the Business.
- Strengthening the efforts related to nutrition to continue delivering clear and accurate information.
- Offering products with improved features in terms of nutrition and health to the consumers.

PRESIDENT

Part of Grupo Nutresa since 1996.

Fabián Andrés Restrepo Zambrano
47 years old.

- The Business promoted a culture based on innovation, sustainability, digital transformation, adaptability, flexibility, diversity and equality, and empowered the leaders' actions through the "Liderar con Propósito (Leading with a purpose) Program.
- The intrapreneurship system was enhanced with three projects focused on finding new inorganic layers that make a positive contribution to the Business growth.
- The Organization contributed to the development of head-of-household mothers from rural regions in southern Colombia by promoting the production of quinoa.
- The Business secured the certification of its Food Safety Management System under the international standard FSSC 22000, and implemented 4.0 technologies in its physicochemical and microbiological laboratory, thus achieving an increase in both the reliability of the results and the productivity.
- The healthy portfolio was consolidated and the Business ventured into new categories that respond to the market trends.
- The presence in the condiment category was expanded through the distribution of Badía products in Colombia.

Pastas Business

Sales

COP thousand million

Total sales

	2021	2020	2019	% of growth
	5,4%	17,9%	13,6%	
	426	405	343	
CAGR				11,5%

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

Sales in Colombia

	2021	2020	2019	% of growth
	5,0%	17,7%	13,5%	
	420	400	340	
Price	5,6%	12,4%	3,0%	
Volume	-0,5%	4,7%	10,2%	
CAGR				11,2%

The sales in Colombia represent **98,6%** of the Business's total sales.

EBITDA

COP thousand million

	2021	2020	2019	% of growth
	-2,6%	44,7%	32,7%	
	61,0	62,6	43,3	
Margin	14,3%	15,5%	12,6%	
CAGR				18,7%

The Pastas Business represents **4,0%** of Grupo Nutresa's EBITDA.

Employees

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

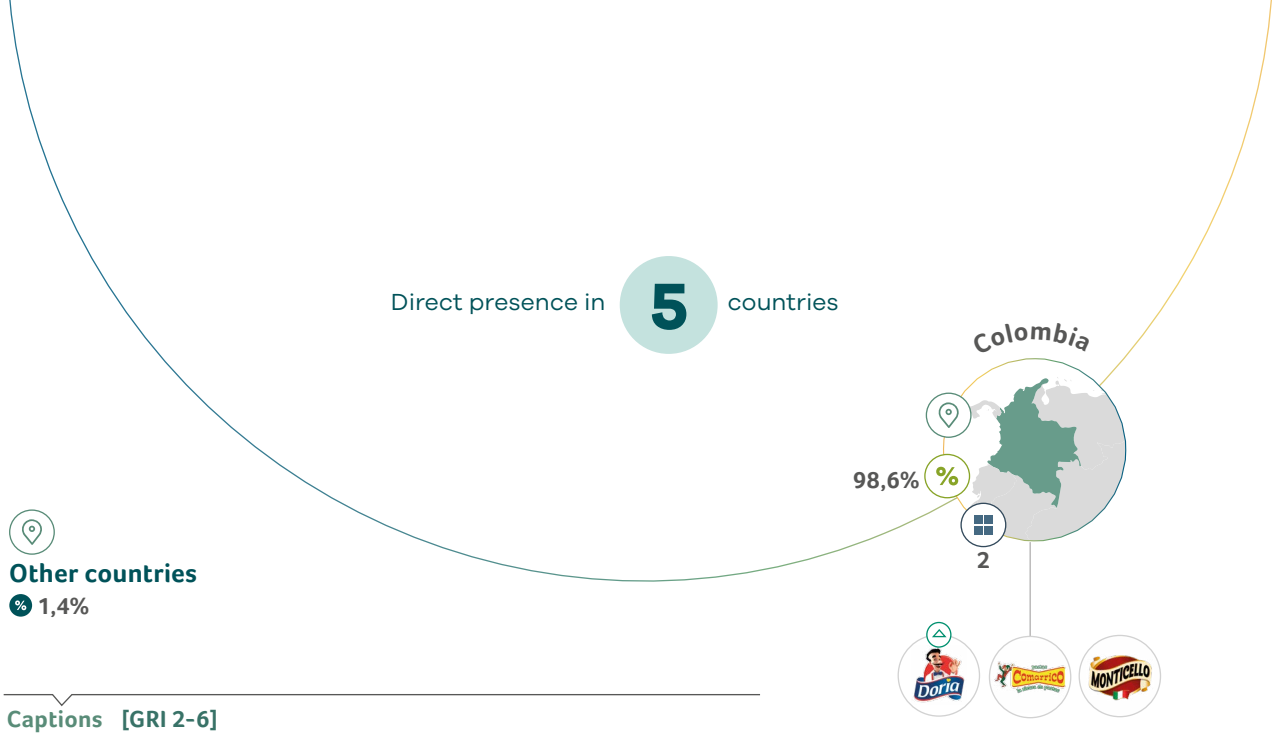
30,2% 69,8%

Direct employees

0% Abroad

100% in Colombia

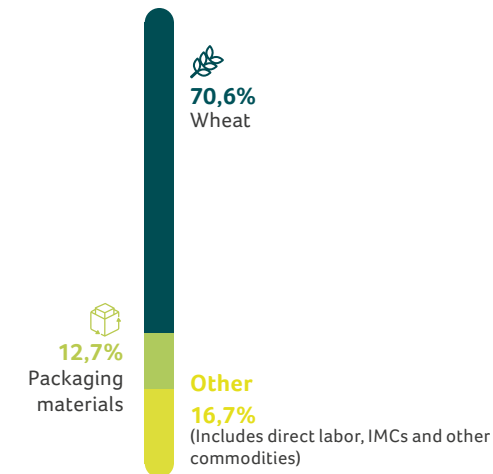
(Direct employees, third-party employees and apprentices)



Captions [GRI 2-6]

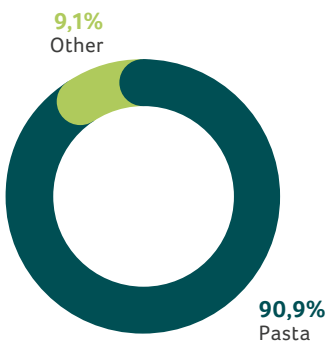
- Presence of our main brands
- % of the Business's sales
- Number of production plants
- Brands with sales over USD 50 million

Commodities and other supplies



Main categories

(% of total sales)



Market share in Colombia

Business Outlook

- Achieving growth in terms of brands focused on innovation, health and nutrition.
- Strengthening new categories, consolidating the leadership, and achieving an increased penetration of the Business in the pasta and culinary categories.
- Consolidating the responsible sourcing while laying emphasis on the preservation of biodiversity.
- Continue developing new geographies and consolidating the existing ones.
- Boosting the growth of the company Basic Kitchen S. A. S. in Grupo Nutresa's multiple channels.
- Consolidating the cultural and leadership model by aligning the strategy, the processes and the structure.
- Promoting the intrapreneurship system by creating new layers of growth.
- Improving energy efficiency through cogeneration, biomass boilers and the solar panels.

PRESIDENT

Part of Grupo Nutresa since 2011.

Juan Fernando Castañeda Prada
54 years old.

- The levels of excellence in the indicators related to client satisfaction (90%) and client loyalty (85,8%) were maintained.
- Progress was made in the consolidation of digital sales, which presented a 93% growth rate in relation to 2020.
- The process of overhauling the fleet was continued with the incorporation of electric, gas-powered and hybrid vehicles, which contribute with a reduction of 83,5 tons of CO_2.
- Technical and financial feasibility exercises were conducted for the installation of solar panels in Barranquilla, Pereira and Valledupar in Colombia.
- The Organization consolidated its understanding of the natural channel, thus reaching a greater number of clients and reinforcing its service model. This allowed achieving a growth rate of 393% when compared to 2020.
- A 90% score was obtained in the organizational climate measurement, as well as a 91% rating in terms of commitment, thus maintaining the levels of excellence regarding talent management.
- The Organization made progress in the deployment of its organizational design plan focused on the exploration of new business models, and capitalized value in its operation through more than 30 improvement projects.

Dry Commercial Networks

Satisfaction
Percentage

Customer satisfaction level in 2020

Loyalty
Percentage

Customer loyalty level in 2020

Employees

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

Comercial nutresa	4.480
novaventa	2.028
La Recetta	268
ATLANTIC	557

Business Outlook

- Maintaining the profitable growth efforts by continuously strengthening the organizational capabilities.
- Achieving progress in initiatives that contribute to the preservation of the planet, particularly focusing on the management of logistics.
- Consolidating the human development plans within the framework of Grupo Nutresa's culture, talents and leadership model.
- Focusing strategies based on healthy products on the market to address the new trends and boost the seal-free portfolio.
- Strengthening collaborative work with marketing teams to make progress in brand, sales, competitiveness and digital transformation fundamentals in order to ensure the generation of value.

PRESIDENT

Part of Grupo Nutresa since 1991.

Juan Mauricio Montoya Correa
53 years old.

- Our cash flow was optimized thanks to the Confirming program for the benefit of 338 suppliers.
- Our digital capabilities were enhanced placing emphasis on analytics, digital trade and process automation.
- Our internal audit function was certified under international standards.
- Grupo Nutresa's energy management was strengthened by implementing solar energy projects in five companies in Colombia.
- Servicios Nutresa created the *task force* on responsible and productive sourcing, and formulated the work plans for 2030.
- Grupo Nutresa's Biodiversity Policy was drawn up and disclosed.
- The packaging materials roadmap for 2030 was designed with the aim of using only recyclable, reusable and compostable materials.
- The "Futuro Nutresa" (Nutresa Future) Program was launched, focusing on the creation of jobs for women and young people.
- The talent reconfiguration strategy was implemented with training programs aligned with the Organization's map of capabilities.
- Digital learning experiences were incorporated within the framework of the strategy focused on *reskilling* and *upskilling*.

Servicios Nutresa

Employees

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

49,1% 50,9%

Direct employees

92,1% in Colombia

7,9% Abroad

Servicios Nutresa achieved savings close to

COP 98.108 million

through the Organization's strategic sourcing and digital procurement methodologies.

Business Outlook

- Continue working on the talent transformation program.
- Executing initiatives established in both the circular economy roadmap and the responsible and productive sourcing roadmap.
- Implementing the corporate Enterprise Resource Planning System (ERP) in Tresmontes Lucchetti in Chile, Cameron's Coffee in the United States and Nutrading.
- Drawing up the roadmap for updating Grupo Nutresa's technology *core*.
- Making progress in the technology adoption process within the framework of the Organization's digital transformation strategy.
- Consolidating the governance, risk and compliance model (abbreviated GRC in Spanish).

Strategic Dimensions

Cooperating with people, allies and society

Grupo Nutresa contributes to the human and territorial development to enhance people's potential.

Sesame crops.
Montes de María, Colombia.

Preserving the planet

Inspiring development, growth and innovation

Cooperating with people, partners and society

Estela Rangel Durán, cocoa farmer, Cesar, Colombia.

Grupo Nutresa contributes to the human and territorial development of the countries where it operates in order to strengthen people's potential, putting at the service of society and all allies its knowledge, practices and experiences by means of the collaboration and the implementation of relevant, effective and sustainable initiatives that have a positive impact on the improvement of the learning processes and drive the stakeholders' competitiveness, the respect for Human Rights, as well as people's nutrition, health and well-being. This will be fulfilled by acquiring new knowledge that allows developing high-impact and significantly relevant innovations.

Nutrition and healthy lifestyles: Offering products and menus that provide the consumers with alternatives that meet their nutrition and wellness expectations, and actively promoting healthy lifestyles by means of awareness-raising and education campaigns and programs with an emphasis on responsible consumption.

Human talent management and inclusion: Consolidating an inclusion-driven and diverse culture that fosters the comprehensive development of the human capital, thus achieving availability, commitment, productivity and balance by means of safe and healthy work environments.

Development of territories and social inclusion: Implementing comprehensive actions that guarantee the development of capabilities and the connection of base-level communities with real opportunities in terms of employment, entrepreneurship and educational continuity.

Traceability, quality and safety of products: Ensuring the satisfaction, well-being and nutrition of consumers with safe and high-quality products under strict compliance with the legal framework based on the quality management and food safety systems.

Food security: Designing and undertaking initiatives focused on eradicating hunger and malnutrition, creating healthy food consumption possibilities through the development of sustainable agricultural capabilities.

Innovation: Managing and promoting high-impact innovation by collaborating with the global science, technology and innovation ecosystem in order to gain new knowledge that allows researching and developing products, services, experiences and business models.

Nutrition and healthy lifestyle

Offering products and menus that provide the consumers with alternatives that meet their nutrition and wellness expectations, and actively promoting healthy lifestyles by means of awareness-raising and education campaigns and programs with an emphasis on responsible consumption.

Employee from the Biscuits Business in Colombia.

Implementation of the Healthy Lifestyles promotion program in Ciudad Bolívar in the Colombian state of Antioquia.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Innovating in products while meeting nutritional and health-related criteria.	• 37,1% of the product innovations were related to health and nutrition.
Implementing front-panel nutritional labeling on all products.	• 92,9% of products with front-panel labeling.
Reducing the content of critical nutrients regarding public health.	• 576 product reformulations were consolidated: 246 sodium reformulations, 198 sugar reformulations and 50 saturated fat reformulations, thus reaching 22,6% of the total products offered **[GRI G4 - FP6]**.
Promoting healthy lifestyles.	• 3.900 school kits were delivered to promote key hygiene practices as a health-protection action. • Design and launch of the School of Nutrition for employees. • Formulation of the baseline for the care-for-life strategy and implementation of the cardiovascular and metabolic risk management program for employees. • Launch of the campaign titled “Lo Bueno de Comer Juntos” (How good it is to eat meals together).

37,1%

product innovations

in health and nutrition.

Risks and opportunities

[GRI 3-3] [FB-PF-260a.2] [FB-NB-260a.2] [FB-FR-260a.2]

In global markets, the increase of products with improved nutritional profiles to respond to the growing concern about obesity and non-communicable diseases, both in large companies and in new ventures, requires accelerating the development of nutritious, healthy and sustainable alternatives that contribute to improving people's health without affecting the products' sensory performance.

The risks translate into opportunities that allow the Organization to bridge gaps around the formulation of products that favor the reduction of critical nutrients and the addition of food components with both health and nutrition benefits, without compromising the preferences of consumers. Additionally, it is an opportunity to implement programs and projects that develop the stakeholders' capabilities related to healthy lifestyles.

One of the solutions proposed by Grupo Nutresa is the implementation of initiatives based on bioeconomics, which incorporate alternative ingredients of vegetable origin for the development of sustainable nutrition proposals, guaranteeing the availability of nutrients with a lower environmental impact. The exploration, evaluation and application of products that contain these ingredients of high nutritional and functional value achieve fortifications that have a positive impact on the health of consumers and meet the demands of clearer labeling and greater naturalness.

In addition, Grupo Nutresa is committed to promoting healthy lifestyles among its employees and the community as a contribution to solving public health issues.

Outlook

Research and knowledge transfer allow Grupo Nutresa to address today's challenges. For this purpose, the defined strategies are supported on the capacity of its Nutrition, Health and Wellbeing Research Center —Vidarium—, the R&D units of the Businesses, the incorporation of new capabilities related to emerging technologies that are relevant for the future of the food sector, programs such as Nutresa Ventures, and technological monitoring.

The consolidation of the effective research and innovation capabilities, developed within a collaborative system jointly with the academic sector and specialized centers, allows the Organization to strengthen a portfolio of projects that include basic research in the areas of modulation for processes of oxidation and microbiome, the functionality of bioactive ingredients and the evaluation of additives, in addition to the use of new commodities that mitigate environmental impacts. These lines of work enable the Company to venture into new categories, such as vegetable beverages, meat analog products, fish and vegetable spread products, to reduce critical nutrients for efficient replacements with new ingredients, and to make progress in the use of natural colors and preservatives.

The topics of research and innovation will continue to be relevant for Grupo Nutresa when expanding the coverage of the needs of the population, which are not limited to obesity, but also include nutrient deficiencies, for which the launch of fortified products such as Bénet and enriched biscuits, among other, becomes a fundamental component of innovation.

Practices that stood out and acknowledgments

School of Nutrition of the Biscuits Business for the employees

It is a strategy for training and sharing knowledge on food and nutrition in order to generate healthy habits among the employees, which also supports the Organization's nutrition and health strategy. This initiative reached an initial coverage in the Biscuits Business of 85% in eight geographies and was included as a course within the specific training for new employees.

New categories: fish and vegetable-based spread products

To respond to the demand for natural products with a high nutritional quality, Pietrán entered the fish category in Colombia with preservative-free salmon and tuna, and the vegetable-based spread product category with guacamole and hummus, natural alternatives that can be enjoyed at any time of the day. The sales for the fish category amounted to COP 13.562 million and the sales of spread products totaled COP 836 million.

Tosh's vegetable beverages

The Company launched in Costa Rica, Panama and Colombia a portfolio of healthy beverages, naturally lactose-free and a source of calcium and vitamin D from almonds, oats, macadamia nuts and hazelnuts, with low sugar content, cholesterol-free and without trans fats. In addition, some of them are also a source of iron and have a low sodium content. These products achieved consolidated sales of COP 2.409 million in 2021.

Material topic details

Nutrition, health and wellness
[GRI 416-1] [FB-PF-260a.2]

People's growing interest and concern about nutrition, health and wellness make it increasingly urgent for companies in the food sector to proactively develop portfolios of products, services and comprehensive solutions based on healthy and sustainable diets.

To tackle this challenge, while opening new markets and geographies, always in compliance with local regulations, Grupo Nutresa promotes the development and scaling of different value propositions for consumers based on nutrition and the promotion of healthy lifestyles.

One of the initiatives that continues to advance is the improvement of the nutritional profiles of the products, which is highly dynamic across all Business Units. The Organization has completed 246 sodium reformulations, 50 saturated fat reformulations and 198 sugar reformulations. Participation in the regulatory processes of the countries is also part of the actions carried out to contribute, based on the knowledge and duties, to identifying opportunities that enable the Organization to prepare for complying with the new regulatory frameworks.

All Business Units have allocated resources to research projects for critical nutrient substitution and clearer labeling. They have also deployed initiatives to reduce the financial impacts associated with the use of natural colors and flavors with adjustments in formulations, and the selection and evaluation of commodities. Initiatives have also been executed in relation to nutrient fortification and the incorporation of functional ingredients in products to improve their profiles, thus securing the approval to use statements on labels, legitimizing the technical efforts made in formulation and reformulation processes.

As an example of this, the Organization developed new products based on natural ingredients, such as spread products, fish and vegetable protein products from Pietrán, and ice creams with improved nutritional profiles that fulfill the new warning labeling guidelines, such as those from Tosh. In addition to this, the Company has replaced artificial ingredients and incorporated new commodities of vegetable origin with health and nutrition benefits in the Biscuits Business. Among these, it is worth highlighting the launch of crackers made with whole-grain wheat, rice and oats, with additional sources of fiber such as flaxseed, without using artificial colors or flavors.

Employee from the Ice Cream Business in Colombia.

Kibo's high-protein lentil biscuit and Tosh's portfolio of low-sodium, cholesterol-free baked pitas are a couple of good examples.

Technology transfer is another initiative that also supports the strategy. To fulfill the strategy, the Organization makes use of multiple tools, such as memorandums of understanding signed with the ventures, which enter the portfolio through the Nutresa Ventures program. These are two-way memorandums that have the purpose of building capabilities in the Business Units and ventures. Some of the relevant technologies approached by the program are: biotechnology and the exponential technologies of the 4.0 revolution.

Main progress achievements in relation to health

[GRI 416-1] [FB-PF-260a.2]

Cold Cuts Business

Meat byproducts

- Reduction of the sodium content in 32 products in Colombia and Panama, in accordance with the critical nutrient reduction plan.
- Diversification of the portfolio in Colombia by participating in two new categories: fish and vegetable spread products.

Biscuits Business

Crackers

- Launch in Colombia of crackers from the Saltín brand with an immunity seal for their content of micronutrients, which contribute to an adequate functioning of the immune system.

Cookies

- Launch in Colombia of Cookies from the Tosh brand with an immunity seal for their content of micronutrients, which contribute to an adequate functioning of the immune system.

***Baked* snacks**

- Launch in Colombia and Costa Rica of the snacks from the Kibo brand based on lentils, naturally gluten-free, good sources of protein, without preservatives and 100% vegan.
- Launch in Colombia of the baked snacks Pita Chips under the Tosh brand, with a low sodium content, 0% cholesterol and without artificial color and flavor additives.
- Launch in Costa Rica of baked corn cakes under the Tosh brand, naturally free of gluten, sugar, trans fat, and 0% cholesterol.

Beverages

- Launch in Colombia and Costa Rica of four vegetable-based beverages under the Tosh brand, naturally lactose-free, and good sources of calcium and vitamin D.
  Three of them come with sugar-free flavors.

Kibo's lentil-based snacks.

Chocolates Business

Beverages

- Launch of sugar-free Chocolisto in Colombia, a product that expands the brand's value proposition and responds to the concerns about sugar consumption in children.
- Launch of the Cocoa Dulce milk modifier in Costa Rica, with 40% oatmeal and the statement of high fiber content.
- Launch of the milk modifier from the brand Johnny's in Costa Rica, whose sugar content was reduced by 50%.

Cereals

- Launch of the Tosh brand's Avena Pop cereal in Central America, a good source of fiber, without preservatives or artificial flavors.
- Launch of the oat platform under the Tosh brand with three product items: natural, apple/cinnamon and strawberry/quinoa, with fruit and fiber contents and no added sugar.

Chocolate substitutes

- Development of a chocolate flavor coating for the Cordillera brand, with no added sugar, for the Colombian and Costa Rican markets in the industrial portfolio.

Nuts and trail mix products

- Reduction in nutrients such as saturated fat, sodium and added sugars in a total of 11 product items from Peru, Mexico and Colombia, with the goal of improving the nutritional composition of products and eliminating the octagons that contain warnings from the labels.
- Launch in Colombia and Central America of a peanut butter from the Tosh brand, a minimally processed product, that is a good source of protein, naturally gluten-free and with no added sugar.
- Launch of a product item in the Granuts portfolio including dried fruits (pineapple and coconut), meeting the criteria of innovations in health and nutrition.

Cereal bars

- Launch of Tosh Lyne cereal bars in Central America, with no added sugar and fruit chunks.

Ice Cream Business

Ice cream

- Reformulation of six portfolio products: three were reduced in sugars, two were reduced in sodium and one had its preservatives eliminated.
- Launch of two products that are good sources of vitamin D and calcium, nutrients that contribute to the formation of bones and teeth, as well as good sources of iron, which helps the proper functioning of the immune system.

Sorbets and ice pops

- Reduction in the sugar content of three product items.

Coffee Business

Instant mix products

- Reduction in the sugar content of cappuccino and 3-in-1 mix products.
- Replacement of artificial flavors with natural flavors in the cappuccino mix products.
- Development of powder mix products, excellent sources of vegetable protein and good sources of fiber.

Employee from the Coffee Business in Colombia.

Pastas Business

Gluten-free pasta

- Launch in Colombia and Costa Rica of the pasta from the Kibo brand, made with chickpea flour, green pea protein and prebiotic fiber, with statements of being a good source of fiber and protein.

Flavored pasta products and specialties

- Launch of a new form of pasta from the Doria brand, derived from the recovery of dry scraps of flavored long pasta, which were previously intended for animal feed. Currently, through the Food Bank, the Organization seeks to reach populations that require the macronutrients and micronutrients contained in this product.

Cereals

- Launch of the powdered wheat bran from the Doria brand, 100% natural, an excellent source of fiber and a good source of iron and zinc.
- Launch in Costa Rica of the organic quinoa grain from the Kibo brand, a natural source of protein and a good source of fiber.
- Launch of ready-to-eat quinoa with natural vegetables from the Doria brand.

Tresmontes Lucchetti

Instant cold beverages

- Reduction of sugars in the powdered drink mix in the Business in Chile, maintaining yield and replacing them with non-caloric sweetening agents.
- Launch of the Zuko brand in South Africa, meeting criteria for innovation in health and nutrition.
- Launch of new flavors of the Livean and Zuko brands in different geographies, meeting the criteria of innovations in health and nutrition.

Nectars

- Replacement of artificial color additives with natural color additives in three products.
- Launch of four references of the Livean Pouch brand with no warning labels and meeting the criteria in health and nutrition.

Pastas Business

- Launch of six products that meet the innovation criteria in health and nutrition.

Chocolate substitutes

- Reduction of sugars in 31 product items of the Nucita brand, in the Business in Mexico.

Implementation and design of models for embracing healthy habits in education institutions in Colombia.

Healthy lifestyles in the communities

Through Fundación Nutresa, the Organization promotes the well-being of communities by designing and implementing models for internalizing healthy practices that mitigate the risks associated with an unbalanced diet, lack of physical activity and inadequate hygiene practices. Since 2013, the strategy for reaching the territories has been based on a pedagogical model of training teachers in order to have a positive impact on the entire school community, especially children. The implementation of this model, whose main reference was Tresmontes Lucchetti's "Espacios saludables" (Healthy environments) program in Chile, and which was designed for Colombia jointly with the Ministry of National Education, the United Nations International Children's Emergency Fund (UNICEF) and the World Food Program (WFP), allowed the Organization to impact more than 10 education institutions in 2021 and benefit more than 3.000 children in the Colombian states of Cauca, Antioquia and Risaralda, and the Valparaíso region, in Chile.

Likewise, the Company made progress in the implementation of the strategy through the "Nutresa quiere a los niños" (Nutresa cares for children) program, with which 3.900 school kits were delivered to 10 education institutions in the Colombian states of Cauca, Risaralda and Antioquia, to contribute to the development of capabilities related to healthy lifestyles and the improvement of the necessary conditions for children from vulnerable communities to have access to schools to go to and not drop out. Additionally, the Organization released a web series called "Los Dufin," which raises the school communities' awareness about a balanced diet, good hygiene practices and physical activity. This digital pedagogical resource reached 3.531 elementary school students from different education institutions in Colombia.

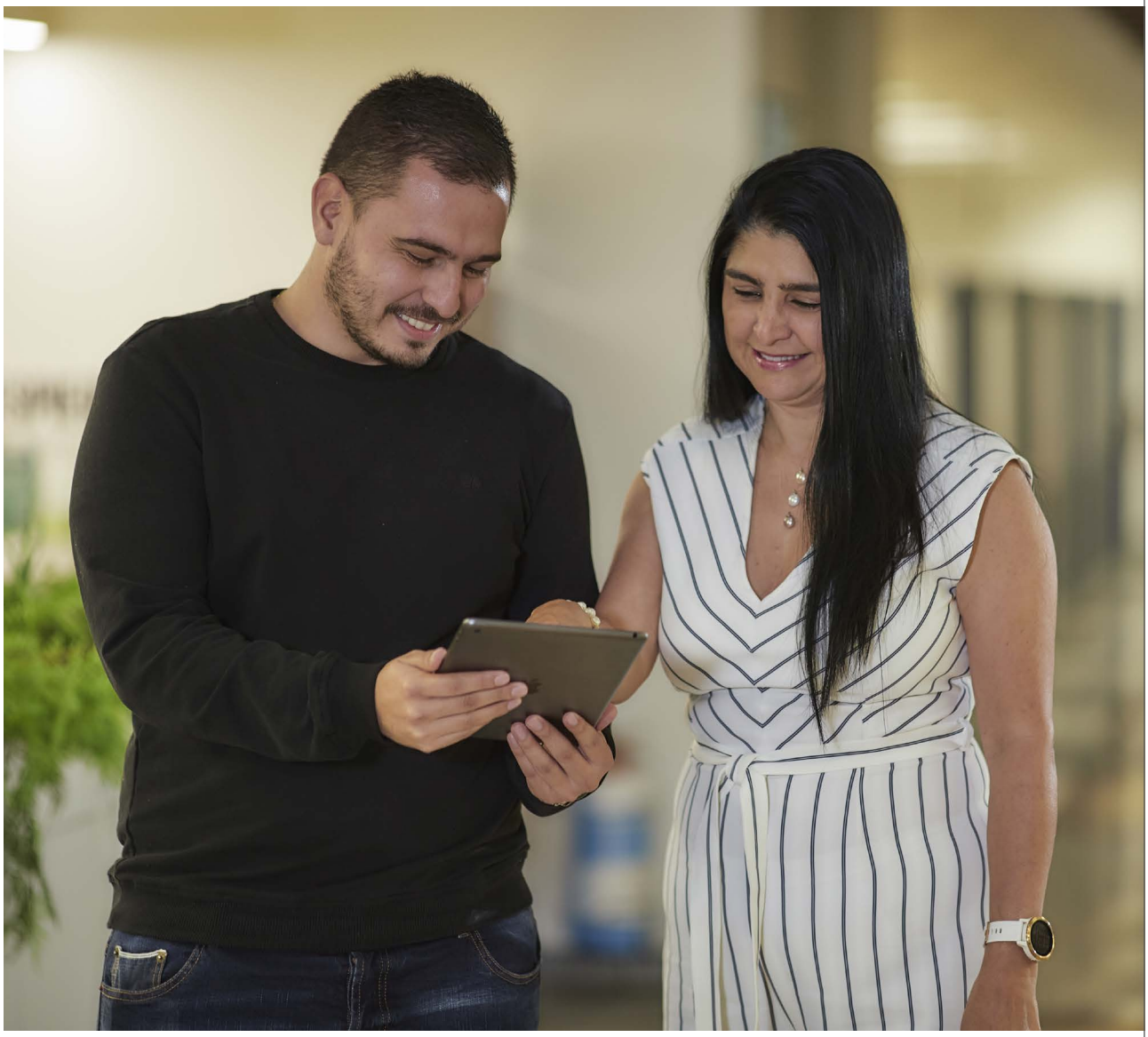
Click here for further information

Grupo Nutresa has also started the reformulation process of the Healthy Lifestyles model with the support of the CES University. This new model, that will be completed and implemented in 2022, has a multi-Latin scope, focusing on opportunities and possible solutions associated with healthy habits for communities in Mexico, Costa Rica, Colombia and Chile. The program will have an operation protocol, a resource library, a toolbox and a methodological roadmap for its implementation. Finally, the care-for-life strategy and the cardiovascular and metabolic risk management program will remain active for all employees.

Through the “Nutresa quiere a los niños” (Nutresa cares for children) program, the Company contributes to the development of capabilities of healthy lifestyles and the improvement of the conditions of access and continuity of children in the schools in Colombia.

Human talent management and inclusion

Consolidating an inclusion-driven and diverse work culture that fosters the comprehensive development of the human capital, thus achieving availability, commitment, productivity and balance by means of safe and healthy work environments.



Employees from Servicios Nutresa in Colombia.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Talent transformation.	• Adoption of new technologies to attract and select human talent: more than 75.000 applications, 41.000 resumes created and 1,5 million visits. • 26.948 employees benefited from the learning strategy. • 306 high-potential people and in the process of development. • 134 women in development for filling executive job positions.
Strengthening the Human Rights management system.	• Zero tolerance commitment towards work and sexual harassment. • 37 companies with environments for accountability on Human Rights. • 492 employees received training in harassment prevention and 12.558 in Human Rights. • 19 collective covenants and three collective bargaining agreements were signed.
Creating diversity, equality and inclusion opportunities.	• 39 companies participated in the 'Par' ranking. • 165 women secured women leadership certifications and 720 leaders participated in training activities regarding gender equality. • Launch of the "Futuro Nutresa" (Nutresa Future) program with the aim of creating jobs for people in the age range of 18 to 28. People incorporated: 5.335. • Creation of employment opportunities for 173 people with disabilities and for 28 people who are involved in the peace accords process in Colombia. • 92 routing sheets to improve the socioeconomic situation of employees.
Managing the well-being and the quality of life of the employees.	• Assistance to employees and their families focusing on strengthening their physical, mental and emotional health provided across all the companies and geographies where Grupo Nutresa has a presence. • Psychosocial risk assessment in 23 companies. • Accident frequency rate (LTIFR) of 3,6 for direct employees. • Risk prevention and intervention: COVID-19, cardiovascular, musculoskeletal and psychosocial. • Measurement of the organizational climate and commitment with a favorable rating of 83%. • Support to the National Vaccination Plan in Colombia with an investment that amounts to COP 4.132.558.759 and 10.101 employees vaccinated.
Strengthening the workplace health and safety management model for suppliers and contractors.	• 194 third-party employees supported in the development of capabilities in Human Rights, occupational health and safety, and diversity and inclusion to minimize risks. • 957 contract auditors trained in the promotion of leading practices in Human Rights, care for life and sustainability. • Reduction in the accident frequency rate for third parties: from 6,9 in 2020 to 6,4 in 2021.

+ 26.948 employees

benefited from the learning strategy in 2021.

Risks and opportunities [GRI 3-3]

The availability and commitment of human talent still are an organizational challenge for Grupo Nutresa. Therefore, the development of capabilities, the strengthening of leadership and the embracement of new working methods that contribute to employee satisfaction and productivity will continue.

Achieving greater diversity and inclusion in the workplace is another of the challenges that the Organization will continue to manage through initiatives that prove the maturity of processes, thus contributing to consolidating a more open culture that brings opportunities on equal terms and that values diversity. This way, Grupo Nutresa's brand and the ability to attract and generate commitment from the human talent are strengthened.

Without a doubt, to keep generating employment, quality of life and progress for employees and their families will contribute to the economic reactivation in all the regions where Grupo Nutresa is present.

Likewise, the physical, mental and emotional health of the employees will remain a priority, which implies mitigating risks of accidents and illness, which due to lack of management could lead to absenteeism, lack of commitment and decreased productivity.

Finally, the Company has an outreach to other stakeholders that are part of the supply chain. For this reason, it will continue working on the development of capabilities to mitigate risks, achieve greater evolution and constantly improve the quality of employment.

Outlook

Considering the challenges in talent management in the global sphere, the Organization will continue with the reskilling/upskilling programs. It will consolidate the process of planning and developing high-potential talent with a gender approach to promote the participation of women in executive job positions. Additionally, it will encourage the embracement of behaviors associated with talents and the Nutresa leader; and will strengthen an agile, collaborative, flexible and innovative work culture. It will also adopt new technologies and talent analytics.

Considering the high impact that the physical, mental and emotional health of employees has on commitment and productivity and including the effects of the COVID-19 pandemic, the Organization will maintain the creation of strategies that promote self-care and the support of leaders as a fundamental action to encourage healthy lifestyles, and manage the risks associated with accidents, occupational illnesses and the mental health of the employees.

To consolidate a diverse, fair and inclusive Organization, and promote respect for Human Rights, the management will be focused on strengthening initiatives to generate employment for women and young people, creating employment and development opportunities for people with disabilities and migrants, carrying out an assessment of the socioeconomic level of the employees to identify possible gaps in the access to the middle class, and formalize new strategic partnerships to contribute to social and economic development. In addition, it will consolidate the Human Rights Management System to prevent and mitigate the identified risks.

Practices that stood out and acknowledgments

Merco Talento

Grupo Nutresa was recognized in Colombia as the top second company in terms of talent attraction and retention, according to the benchmark monitor Merco Talento 2021. This survey collects the opinion of company executives, communication directors, financial analysts, economic information journalists, the Government, non-governmental organizations, unions, citizens, among other audiences.

Grupo Nutresa was included in the book of *Leading gender equality practices*

The Company was invited to be part of the group of 25 companies committed to gender gap-bridging that were analyzed by the Universidad de los Andes and the Fundación She Is in Colombia, to identify the business leading practices and experiences in gender equality. Grupo Nutresa highlighted its initiatives towards the commitment to gender equality with its Diversity and Inclusion Policy, women leadership programs for the development of the potential of the Nutresa female leader and the "Working Together" program, which promotes family co-responsibility and permanent work between men and women.

Employees from the Biscuits Business in Costa Rica.

Practices that stood out and acknowledgments

The Coffee Business was acknowledged in Colombia for its contribution to the inclusion of people with disabilities

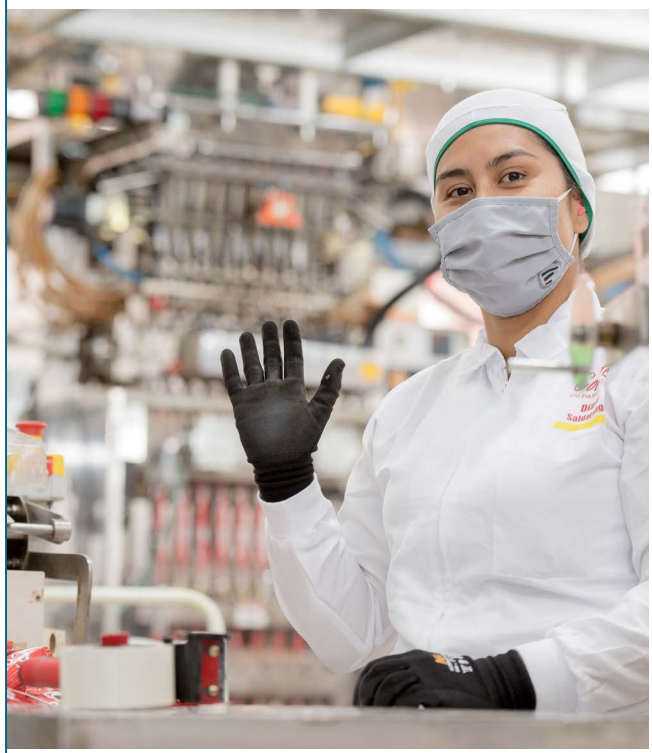
The Coffee Business is consolidated as a company that promotes and adopts diversity and inclusion practices. Thanks to this, it received the following acknowledgments in 2021:

- Acknowledgment “Unidos por la Inclusion” (United for the Inclusion), Gold Seal, granted by the Ideal Foundation for efforts made in practices and initiatives to promote the inclusion of people with disabilities. The purpose of this acknowledgment is to encourage and motivate organizations that believe in inclusion, break down barriers and help build a better society.
- Nomination by the ANDI Foundation as one of the top 15 INspiring companies for the inclusion of people with disabilities. It was granted within the framework of the VI Colombian Business Congress (CEC) and its purpose is to keep inspiring the Colombian private sector to generate social transformations.

These acknowledgments and recognitions are the results of the actions carried out by the Business. Among them, the following are some of the most noteworthy:

- Diagnosis of job positions to identify the possibilities and limitations according to the different types of disabilities.
- Reasonable adjustments to the processes of Organizational Human Development in terms of attraction, selection, hiring, orientation, adaptation, training and development, among other topics.
- Generation of strategic alliances with foundations and institutions to support the process of strengthening capabilities in the Coffee Business to raise awareness and train leaders, people from the Organizational Human Development team and employees.
- Promotion of inclusion practices with other stakeholders and through special programs for the community and products. This includes brand strategies that promote inclusion, such as the programs “Alborada” (Dawn) and Colcafé Braille.

Employee from the Coffee Business in Colombia.



Recognition of the performance in occupational health and safety of the Pastas Business

As part of the celebration of the World Day for Occupational Health and Safety at Work, the Pastas Doria brand received an acknowledgment from the Mayor's Office of Mosquera (Cundinamarca, Colombia) for the performance and compliance with the Occupational Safety and Health System, biosecurity protocols and work inclusion. This achievement is a sign of the Organization's commitment to caring for people and the continuous effort to maintain the highest safety standards.

Employee from Comercial Nutresa in Colombia.

CompuTrabajo's Best WorkPlaces 2021

The Cold Cuts Business received the Best WorkPlaces 2021 Award, granted by Computrabajo, for being the third-best company to work for in Colombia, in the Foods category, according to the ratings and votes made by users of this job search platform.

Silver Category in the "Yo Sí Cumplo" (I comply) program in Panama

Alimentos Cárnicos Panamá was awarded the silver category in the "Yo Sí Cumplo" (I comply) program, an instrument that certifies the recognition of the Ministry of Labor and Labor Development (Mitradel) for good labor practices between employers, workers and unions, and compliance with the principles contained in the Labor Code, decrees, agreements and laws of Panama.

'Empresas de Brazos Abiertos' (Open arms companies)

The UN recognized the Retail Food Business, Servicios Nutresa and Comercial Nutresa as "Empresas de Brazos Abiertos" (Open Arms Companies) for promoting the work inclusion of the migrant population and fostering work environments free of xenophobia. The three companies participated in eight awareness-raising and training workshops on regulations and business strengthening for the employment of Venezuelan nationals and Colombian returnees.

Re-certification of six companies as Familiarly Responsible Companies

Galletas Noel, Comercial Nutresa, Molinos Santa Marta, Alimentos Cárnicos, Zenú and Servicios Nutresa were granted the Familiarly Responsible Company re-certification by the Spanish Másfamilia Foundation. This achievement confirms the commitment to promoting practices that foster a balance between the personal, family and work lives of employees.

Material topic details

TALENT DEVELOPMENT

Considering the challenges facing the Organization and the importance of talent evolution to achieve its objectives, Grupo Nutresa has undertaken initiatives such as:

- **Update of both the leadership model and the Nutresa Talents.**

- **Adoption of new technologies in the talent attraction and selection process.** Based on this measure, the Company was able to achieve a greater number of candidate applications and more effectiveness in the process. By the end of 2021, Grupo Nutresa achieved a 35% effectiveness rate in terms of time spent filtering resumes, searching for candidates, sending invitations for assessments, among others. Likewise, since the launch of the platform, it has had more than 1,5 million visits and 75,000 applications. This initiative was supplemented with the strengthening of Grupo Nutresa's employer brand with 578.203 followers on LinkedIn and 43.919 on Facebook.
- **Implementation of the *reskilling* and *upskilling*** strategy through a continuous learning process based on self-learning. Additionally, 12 experiences were developed and 26.948 employees received training in skills and knowledge aspects such as leadership, adaptability, circular economy, new technologies, innovation, agile culture, diversity and gender equality.

Employee from Opperar in Colombia.

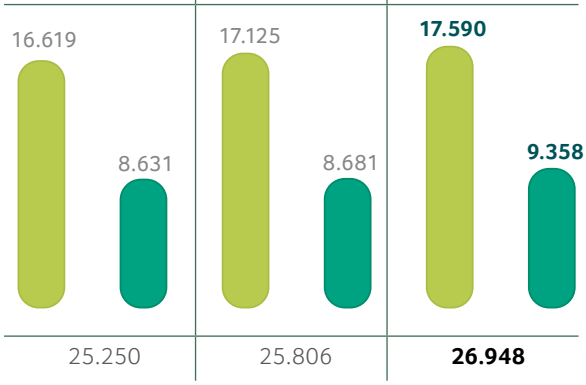
Finally, the Organization continued working on the talent planning process through potential assessment and mentoring initiatives to bridge the identified gaps. As of 2021, Grupo Nutresa has identified 306 high-potential talents, has hosted 475 internships and 32 work cells, and has made 1.108 promotions of talent in multiple processes and geographies.

Employee training [GRI 404-1]

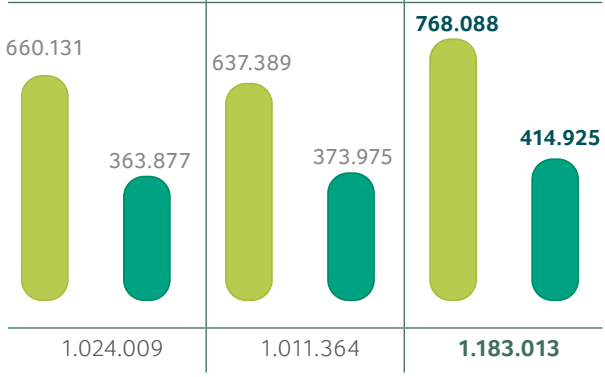
Men

Women

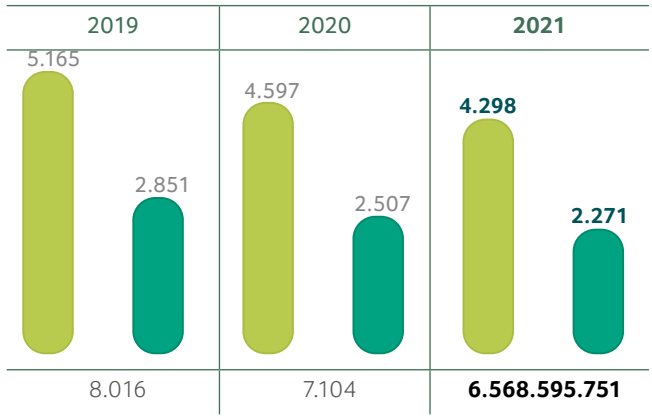
Number of people



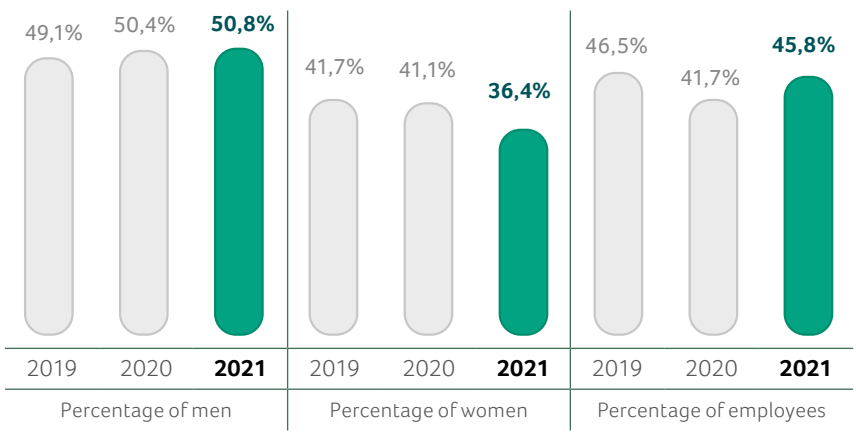
Total hours of training



Investment (COP million)



Performance assessment [GRI 404-3]



Employees who are regularly assessed for performance and professional development.

Employee from the Ice Cream Business in Colombia.

CREATING JOBS AND FOSTERING COMMITMENT AND A POSITIVE ORGANIZATIONAL CLIMATE

Grupo Nutresa focused its efforts on preserving jobs and generating opportunities, laying emphasis on young people and women. In 2021, the Organization grew by 2,92% with respect to 2020.

The impact of the human talent development initiatives produced positive results in terms of organizational climate and commitment, with an excellence-level rating of 83%. The most notable variables were trustworthiness, strategic approach, employee experience and performance support. The employees' perception regarding the presence of the Company during the pandemic has been valued and recognized, thus reaffirming its relevance and commitment.

Programs focused on employability and employee retirement [GRI 404-2]

Cold Cuts Business

School of Skills
The School of Skills is a physical space where people train movements, and develop fine and gross motor skills, as well as cognitive skills.
Both physical and virtual tools are used to create high-impact experiences while simulating a work station.
The employees' abilities and skills are evaluated and developed, promoting their improvement in their day-to-day activities and, thus, their current and future employability.

Biscuits Business

Agile thinking and work
Promoting agile thinking among the employees, as well as work under agile methodologies within the Scrum framework.

Chocolates Business

"Huella de Liderazgo" (Leadership footprint) program
Identifying and developing the basic pillars of the personal leadership brand. Additionally, the program intends to identify personal barriers and enabling factors, and to build practices that allow consolidating the personal leadership footprint.

Cafés

Journey of the Leader
This program is intended for the operating leaders who are in charge of a significant part of the Organization. Its objective is to reconnect the leaders with the purpose and impact of their corresponding role: on themselves, on their teams and on the organization. This program allows establishing the defined behaviors through the application of the concepts in their respective realities.

Tresmontes Lucchetti

Growing together
Developing capabilities that contribute to the employees' well-being, including workshops and training activities for them and their families with regard to finance, entrepreneurship, among other subjects.

Retail Food Business

"Ruta hacia el futuro" (Route to the future)
Get a glance of the future to explore the attitudes, thoughts and viewpoints about the life of the employee who is nearing retirement. This program is based on three fundamental pillars for this new stage: family economy, emotional intelligence, and family and friends.

Ice Cream Business

Transcending
Providing tools to the employees throughout the multiple stages prior to the beginning of their retirement process.

Pastas Business

Safe welding work
Providing the employees with training related to basic concepts of hot work, safe hot work procedures, electric welding, welding-related risks, prevention procedures and protection gear for electric welding activities.

Comercial nutresa

Comercial Nutresa's retiree program
Comercial Nutresa is convinced that its employees are what matter the most. Therefore, the Company has designed a program for the employees nearing retirement in order to support them in the process of obtaining information and training, and completing administrative procedures so that they can enjoy this new stage without setbacks according to how they have planned their retirement.

Servicios nutresa

"Más Cerca de Nuestros Líderes - #SOYLIDER" (Closer to our leaders #IamLeader)
Supporting Servicios Nutresa's leaders in the incorporation of capacities that enable them to enhance the engagement with their corresponding work teams and strengthen their performance as promoters of Grupo Nutresa's culture. The aim is to provide them with tools that transform and inspire others with a deep sense of humanity and togetherness through three lines of intervention: learning, communication and support.

novaventa

Development of Excel and English skills
Providing training to develop the employees' English and Excel capabilities with the aim of enhancing their performance both in the Organization and the professional world with the support of a renown education institution such as the Colombian National Learning Service (SENA). Thus, employees are able to improve their professional profile, identify opportunities and advance in their careers

New employee hires and employee turnover [GRI 401-1] [CG-EC-330a.2] [FB-RN-310a.1]

	Production operations			Distribution and commercialization			Retail Food Business		
	2019	2020	**2021**	2019	2020	**2021**	2019	2020	**2021**
New employees	5.229	5.429	**5.631**	392	299	**515**	3.360	1.743	**3.401**
Employee turnover rate	18,80%	16,5%	**22,23%**	10,6%	10.38%	**11,22%**	49,5%	30,06%	**47,86%**

QUALITY OF LIFE

Occupational illness risk mitigation [GRI 403-1] [GRI 403-2] [GRI 403-3] [GRI 403-7] [TR-RO-320a.3] [FB-MP-320a.2]

Managing the well-being and the quality of life of the employees was another focal point of work throughout the year. This issue entails important challenges in relation to maintaining the care for the physical, mental and emotional health, in addition to the commitment and sense of belonging.

Thus, the Company established a work team that is in charge of formulating criteria, protocols and response measures regarding COVID-19. The team also conducted constant traceability and monitoring actions on the health conditions of the employees in order to implement prevention and assistance initiatives. Further, the team coordinated and guaranteed the vaccination procedures for employees and their families.

Additionally, the team incorporated new flexibility methodologies that correspond to the multiple hybrid work methods, and consolidated the remote work with 735 telecommuting employees from all the Business Units.

Considering the importance of leaders with regard to the management of their work teams' quality of life, the Organization provided tools that allow supporting people for them to be better prepared to deal with uncertainty based on all human aspects.

To meet the employees' needs resulting from the pandemic, the Organization established several benefits and aids. This allowed a higher level of use, relevance and satisfaction, supported on an investment of COP 120.179 million.

Active pause exercises in the Cold Cuts Business, Colombia.

Worker training on occupational health and safety [GRI 403-5] [GRI 403-6] [SDG 8.8]

Cold Cuts Business

Re-orientation on OHS: biosecurity
Raising the employees' awareness about the concepts related to the prevention and control of the biological risk of COVID-19 with the aim of adopting a safe behavior to avoid spreading the virus and a subsequent increased contagion rate.

Biscuits Business

Re-training in key subjects
Strengthening the knowledge on energy insulation, firefighting, pre-hospital assistance, biosecurity and healthy organizations, for both the production plant personnel and the staff returning to the office after working remotely due to being included in a vulnerable population group.

Chocolates Business

Key piece
Ensuring the motivation of the staff, creating a safe culture and maintaining the zero-accident trend. In Costa Rica, the program has been effective, coming up to two years without accidents now.

Coffee Business

Identification of hazards
Providing training focused on identifying hazards for leaders and employees from the production departments (drying, concentration, sanitizers, overhaul) and from the WWTPs, thus enhancing their ability to identify hazards and take control occupational health and safety measures with the aim of minimizing the employee accident frequency rate.

Tresmontes Lucchetti

Job-specific risk management
Identifying the risks facing the employees in their specific jobs and the consequences they may entail if they are not identified and managed promptly.

Retail Food Business

Training and re-orientation for employees
Providing training to the new staff from the ice cream shops to address the risks associated with their jobs and how to avoid or adequately manage them. Also, providing re-orientation to the production and transport personnel to consolidate their knowledge on policies and risks associated to their specific jobs and how to avoid them.

Ice Cream Business

Transit risks
Offering training in transit risk prevention to the technicians in charge of the maintenance of the business assets.

Pastas Business

100% aware
Providing the employees with training dealing with issues such as safe forklift work, work-at-height, confined space work, hazardous energy work and hot work, with a result of zero accidents associated with high-risk jobs.

La Receta soluciones gastronómicas integradas

Psychosocial risk prevention
Mitigating the psychosocial risk by providing the employees with training focused on mental flexibility, stress management, coping strategies, adaptation to change, and mental and quantitative load management, among other subjects.

OPPERAR COLOMBIA

Road safety
Offering the employees training focused on avoiding and minimizing the risks associated with their specific jobs through the knowledge on matters such as the road safety strategic plan, transport and traffic laws, commitment to road safety and driving techniques.

Employees from GC Foods in Colombia.

Worker participation, consultation, and communication on occupational health and safety [GRI 403-4]

Number of members	2019	2020	**2021**
Occupational safety and health committee	596	483	**508**
Zero accidents program management	27.392	17.201	**20.171**
Support groups in case of emergency	2.576	2.416	**2.638**
Health management program	27.235	27.629	**27.598**
Cohabitation Committee	265	197	**203**

60% of Grupo Nutresa's companies organize meetings with the leaders on a monthly basis, 11% every two months, 26% weekly or every two weeks, and 3% on a yearly basis.

Workplace safety and health performance
[GRI 403-9] [GRI 403-10] [TR-RO-320a.1]
The Company's accident frequency rate (LTIFR) amounted to 3,5 for direct employees. In the case of third-party staff, after the economic reactivation, the rate went from 6,9 in 2020 to 6,4 in 2021. For the second consecutive year, there were no manageable fatalities of direct and third-party employees.

Workplace safety and health performance

	2019		2020		2021	
	Employees	Contractor employees	Employees	Contractor employees	**Employees**	**Contractor employees**
"Accident frequency rate: number of accidents in relation to total employees"	1,66	3,47	0,79	1,55	**0,80**	**1,65**
"Serious accident frequency rate: number of accidents with serious or severe consequences per 1.000.000 hours worked"	0,00	-	0,02	0,08	**0,04**	**-**
"LTIFR: number of accidents that caused lost time per 1.000.000 hours worked"	7,26	13,37	3,51	6,90	**3,63**	**6,42**
"OIFR: number of occupational illness cases per 1.000.000 hours worked"	1,70	0,03	0,87	-	**0,97**	**0,02**
"Work-related fatalities"	0	1	0	1	**0**	**0**
Fatalities caused by COVID-19	0	0	0	0	**0**	**0**
Work-related illnesses classified as occupational illness -COVID-19	N/A	N/A	73	7	**22**	**0**
Days of absence due to occupational illnesses - COVID-19	N/A	N/A	896	187	**245**	**722**

To promote healthy habits during the work-from-home period, Grupo Nutresa designed a virtual strategy with a network of partners that supported people through activities such as yoga, exercising, cooking lessons, active pause exercises, as well as psychological, financial, legal and nutritional support.

In addition, the Organization created a program for leaders with the objective of developing their capabilities with regard to the support given to their work teams, as well as contributing to their well-being.

Grupo Nutresa signed

21 collective agreements

with the unions and employee organizations.

HUMAN RIGHTS

Grupo Nutresa maintains its commitment to respecting and promoting Human Rights by implementing a management system that enables the constant identification of possible risks, and an action plan for preventing and mitigating risks. As part of this system's evolution process, the Organization updated the Human Rights Policy and included a new commitment to zero tolerance towards work and sexual harassment.

Due diligence

Grupo Nutresa fostered environments for active conversation and listening with the stakeholders to maintain a trust-based and respectful climate. In 2021, Grupo Nutresa signed 21 collective agreements with the unions and employee organizations. Additionally, the Company organized 37 discussion conferences on Human Rights, where the participants expressed their opinions about performance and identified opportunities to respect and promote them. Along with other complaints mechanisms, the Organization consolidated the Ethics Hotline, standardizing the provision of the service globally and, therefore, achieving a higher level of transparency, objectivity and confidentiality. In total, 177 cases were reported through this channel: 22 of them were confirmed as being related to the violation of Human Rights or discrimination. **[GRI 407-1] [GRI 408-1] [GRI 409-1] [GRI 2-23] [GRI 2-24] [GRI 2-25] [GRI 2-30]** **[FB-FR-310a.2]**

Confirmed cases of Human Rights violations and discrimination [GRI 406-1]

	2019		2020		**2021**	
	Discrimination	Human Rights violations	Discrimination	Human Rights violations	**Discrimination**	**Human Rights violations**
Cases reported	7	N/A	9	77	**13**	**164**
Cases analyzed and managed	7	N/A	9	77	**13**	**150**
Cases closed	6	N/A	9	66	**13**	**142**
Cases confirmed	0	N/A	0	14	**3**	**19**

The cases confirmed as Human Rights violations were classified either as work harassment for which monitoring plans were implemented and remedial actions were implemented, or as sexual harassment cases, where the corresponding individuals involved were dismissed from their job positions.

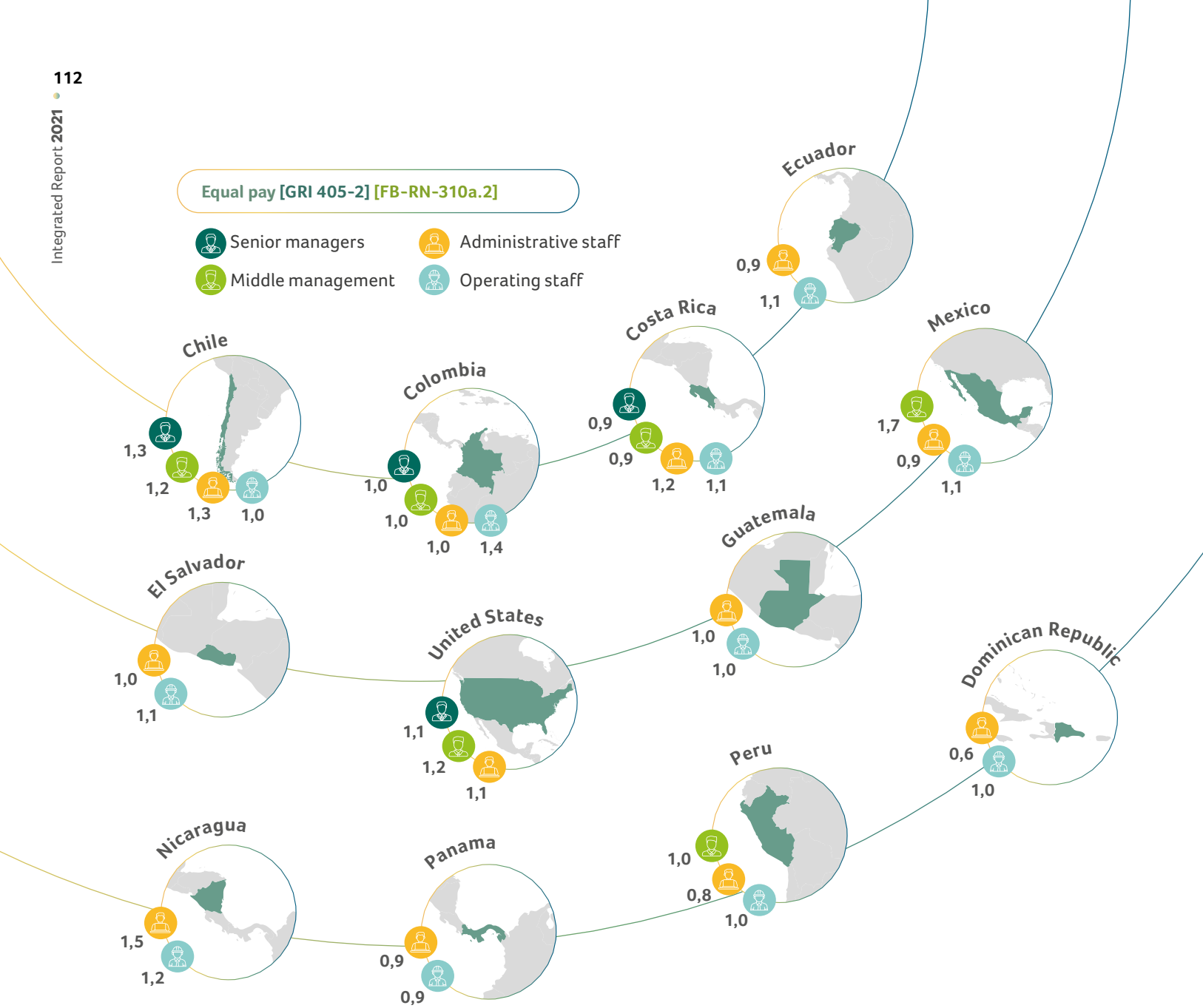
Employee from the Chocolates Business in Colombia.

Training

The Company provided training to 492 members of the cohabitation committees. The training was focused on how to manage possible cases of work or sexual harassment.

Security personnel who received Human Rights training [GRI 410-1]

	Percentage of people who received training
2019	96,0%
2020	100,0%
2021	**100,0%**



The Organization

encouraged the creation of opportunities within the framework of diversity, equality and inclusion, as well as the promotion of the respect for Human Rights.

Ratios of standard entry level wage by gender compared to local minimum wage [GRI 202-1] [FB-RN-310a.2]

Grupo Nutresa's salaries are higher than the minimum wage salary in all its operations. On average, the lowest salary exceeds by 45% the minimum wage salary of each country where the Organization operates. In the Retail Food Business, this average amounts to 23%.

	Colombia	Costa Rica	Ecuador	Mexico	Panama	Peru	Dominican Republic	United States	Chile	Guatemala
MEN	1,90	1,37	1,22	1,84	1,40	1,98	1,39	N/A	0,75	1,16
WOMEN	1,40	1,25	1,10	1,62	1,52	2,00	1,35	N/A	0,74	1,11

Supply chain

Grupo Nutresa provided training for 957 third-party leaders and auditors and 194 people from contractor companies to raise their awareness about the respect for Human Rights.

Diversity and inclusion

The Organization encouraged the creation of opportunities within the framework of diversity, equality and inclusion, as well as the promotion of the respect for Human Rights. In 2021, Grupo Nutresa made the following progress in the context of gender equality:

- Servicios Nutresa delved into its consolidation by being granted the Gold Seal by Equipares.
- 39 companies participated in the 'Par de Aequales' Ranking.
- 165 women received training in female leadership, and continuity was given to the awareness-raising initiatives focused on inclusion and equality.

Moreover, aware of the vulnerability of young people and women due to the COVID-19 pandemic, the Organization has undertaken employability promotion initiatives. One of them is "Futuro Nutresa," a program that incorporated 5.335 young people in the age range of 18 to 28 years old. Additionally, the Company created work inclusion opportunities for 173 people with disabilities and 28 people who are part of the reconciliation and peace process in Colombia.

Finally, to contribute to the improvement of the socioeconomic levels of the employees, Grupo Nutresa conducted a diagnosis on a group of families with the aim of establishing a way forward.

Click here for further information about employee diversity.
[GRI 405-1] [GRI 2-7]
[CG-EC-330a.3] [SDG 8.3]

Development of territories and social inclusion

Implementing comprehensive actions that guarantee the development of capabilities and the connection of base-level communities with real opportunities in terms of employment, entrepreneurship and educational continuity.

"Riqueza Natural" (Natural wealth) Program for cocoa growers in the Colombian state of Cesar.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Implementing projects focused on developing capabilities in the communities.	• 63 projects carried out in the communities participating in Grupo Nutresa's strategy, allowing them to develop both individual and collective capabilities related to socio-entrepreneurial, food security and social management development. **[GRI 413-1] [GRI 203-1] [GRI 203-2]**
Implementing projects for the development of school leadership and management capabilities among teachers and academic directors.	• 158 Colombian education institutions received support in their school leadership and management process. **[GRI 203-2]** • 77 virtual training sessions offered to 900 teachers and academic directors. • The webinar on education titled "Liderazgo para la Construcción de un Futuro Sostenible" (Leadership for building a Sustainable Future) organized by Grupo Nutresa amounted to 471 views.
Implementing education strategies to create employment and entrepreneurship opportunities for young people and women.	• 142 young people in the age range of 14 to 28 years old from the Colombian states of Antioquia, Córdoba, Bolívar, Boyacá and Tolima participated in the process intended to develop social, economic and environmental capabilities, enabling them to be active agents in the fulfillment of the Sustainable Development Goals in their respective territories. **[GRI 203-2]** • Creation of the HUB for the generation of opportunities for young people and women.
Developing the socio-entrepreneurial capabilities of farmer associations that provide Grupo Nutresa with supplies.	• 23 associations of farmers that produce cocoa beans, milk, coffee beans, honey and cashew nuts developed their members' collective capabilities in four digital training fields: healthy lifestyles, agroecology, and organizational & social competences. **[GRI 203-1] [GRI 203-2]**
Managing programs of sustainable value chains in Grupo Nutresa.	• 16 inclusion-driven business initiatives identified in Colombia, Chile and Costa Rica. **[GRI 203-1] [GRI 203-2]**

Grupo Nutresa has set the commitment for 2030 of implementing

1.000 projects

that develop capabilities in communities to have a positive impact on people and regions that are connected with its value chain.

Risks and opportunities [GRI 3-3]

The importance of having engagement models in place in a changing and uncertain environment demands that private companies strengthen the strategies and channels they use to have a direct connection with the territories, the rural areas and the urban zones where, based on the construction of trust-based relations and active listening, programs and projects are developed to enhance the capabilities of vulnerable communities for creating shared value and building an improved society. Failing to do so represents a risk for the Organization and society itself because it would dissipate the opportunities and expand the gaps in terms of poverty and inequality.

Among the risks associated with the supply chain, the lack of generational replacement remains an impending factor that needs to be managed. However this factor becomes an opportunity to promote young people, women and men based on the development of initiatives focused on enhancing skills and mobilizing new capabilities for the generation of revenue and a continued presence in the field. Grupo Nutresa is committed to consolidating partnerships and establishing networks that inspire, boost and create new development narratives.

One of the solutions proposed for the creation of social value is the implementation of comprehensive programs and projects that guarantee the development of the territories and the connection of base-level communities with actual opportunities in terms of employment, entrepreneurship, educational continuity and food security, among other. The design of strategies coordinated with other agents by integrating pillars or lines of action operated by Fundación Nutresa (education for society, sustainable value chain and healthy communities) helps to strengthen comprehensive intervention ecosystems that guarantee the multidimensional human development in the territories, and decrease the social and license-related risks when operating, such as latent gaps in the contexts of education, income generation and employability.

Outlook

To build a better world where development benefits everyone, it is indispensable to implement actions that offer solutions to the planet's issues in the present time, and that have a positive impact on future generations. As part of its strategy for 2030, Grupo Nutresa has committed to implement 1.000 projects that develop capabilities in communities with the aim of reaching, in a comprehensive manner, both people and regions that are connected with the value chain.

The creation of employment and entrepreneurship opportunities, the capability development processes in education institutions and their school communities, the processes focused on improving the business management abilities of people and Grupo Nutresa's suppliers and clients, and the capabilities for the production, handling and distribution of healthy food will remain the navigation chart of the Organization's social strategy. In addition, the strategy will be supported on corporate volunteering as a source of expert human capital that will assist the communities in scenarios of strengthening and growth.

The new methodologies developed collaboratively with the academic sector, the communities and other companies translate into paths for the development of capabilities. The 21st Century Leaders program will continue supporting academic directors and the school community in their efforts to improve the quality of education and the school management processes in both rural and urban areas. Similarly, the processes for the development of capabilities that have a positive impact on the improvement of food security and family income among the communities engaged by Grupo Nutresa will remain an important challenge. The management of this challenge is carried out by implementing programs such as 'Germinar,' 'Aula,' corporate volunteering and the processes intended to develop social and organizational capabilities among clients and suppliers.

Practices that stood out and acknowledgments

Comprehensive strengthening of the productive linkage of cocoa

Through Fundación Nutresa and Compañía Nacional de Chocolates, and with the support of the "Riqueza Natural" (Natural wealth) program created by the United States Agency for International Development (USAID), the Organization executes the initiative called "Comprehensive strengthening of the productive linkage of cocoa with a vision focused on the conservation of the tropical dry forest ecosystem in the Colombian state of Cesar" in the municipalities of La Paz, La Jagua de Ibirico, Becerril and Agustín Codazzi. This initiative benefits 115 families who are part of three associations of small cocoa growers. Thanks to this project, 4.279,5 hectares have been intervened based on a participative property tax planning approach, and 22.900 units of coca plant material were delivered for the rehabilitation or expansion of plantations, in addition to 78.375 trees for the reforestation, vegetative restocking and restoration of zones degraded by erosion or water resource protection zones. These actions are aimed at promoting the cocoa production chain in alignment with the restoration, conservation and connectivity of the tropical dry forest in this Colombian state.

"Empresa INcluyente" (Inclusion-driven company) seal granted to Colcafé

The ANDI Foundation, in partnership with the USAID and the international development organization ACDI-VOCA, with the support of Deloitte, awarded Colcafé the "Empresa IN" accolade in the category of inclusion-driven employment. This acknowledgment is the result of the successful implementation of practices centered on the inclusion of vulnerable populations in the Company's value chains, and it was awarded within the framework of the Social Market Place event organized by the National Business Association of Colombia (ANDI). The 'IN' movement is a platform promoted by the ANDI Foundation, and it gathers companies that strive to build sustainable and competitive settings in their value chains with the aim of overcoming, jointly with their stakeholders, the social challenges that have bearing on their operation and business strategy.

Capability enhancement project carried out with dairy associations in Úmbita, in the Colombian state of Boyacá.

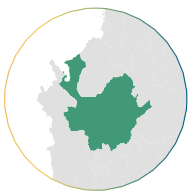
Material topic details

Grupo Nutresa continued supporting the communities by implementing programs and projects based on the pillars of 'Education for society,' 'Sustainable value chains' and 'Healthy communities.' With a social investment of COP 159.656.190.051 in Colombia, Chile, Ecuador, Peru, Mexico, Central America, the United States, the Dominican Republic and the Caribbean, the Organization benefited 10.267.066 people in 2021. **[GRI 413-1] [GRI 203-1] [GRI 203-2]**

The support provided to the communities based on the development of capabilities was marked by both synchronous and asynchronous processes that included the use of virtual learning tools. The total hours of training benefiting society amounted to 2.246.

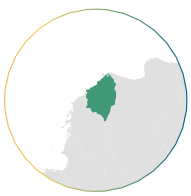
Grupo Nutresa's social investment programs in Colombia. [GRI 413-1] [GRI 203-1] [GRI 203-2]

- Education for society
- Sustainable value chains
- Healthy communities
- Value chain of Grupo Nutresa's Business Units



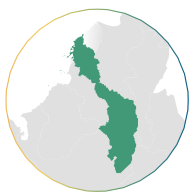
Antioquia

- 21st Century Leaders (53 institutions)
- Capability development program for coffee growers (Farallones)
- Capability development program for cocoa growers (Maceo)
- Capability development program for cocoa producer organizations (Urabá)
- "Jóvenes Nutresa" (Nutresa Youth)
- "Germinar" in Ciudad Bolivar
- "Germinar" in partnership with Saciar
- "Germinar" in Dabeiba
- Saciar food bank
- Medellín food bank
- "Nutresa Quiere a los Niños" (Nutresa cares for children) - EVS (5 IE)"
- Farallones coffee processing plant - Colcafé
- Cocoa sector promotion program



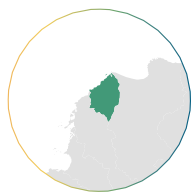
Atlántico

- Barranquilla food bank



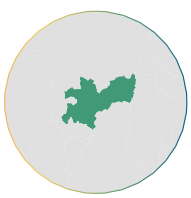
Bolívar

- 21st Century Leaders (15 institutions)
- Capability development program for ceviche-vendor organizations (Cartagena)
- Cartagena food bank
- "Germinar" in Cartagena
- Cocoa sector promotion program



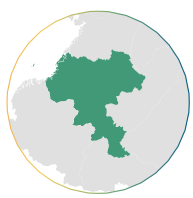
Boyacá

- Capability development program for the Umbitaba Milk Cooperative Organization
- Cocoa sector promotion program



Caldas

- Manizales food bank
- "Germinar" in Manizales
- Production project for coffee growing estates - Colcafé
- Cocoa sector promotion program

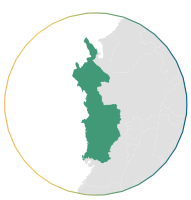


Cauca

- 21st Century Leaders (15 institutions)
- Production project for coffee growing estates - Colcafé
- "Sueños de la Quinua" (Dreams of quinoa) - Doria

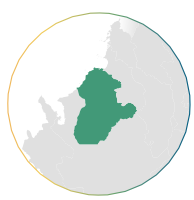
Cesar

- Capability development program for cocoa growers - Cesar
- Cocoa sector promotion program



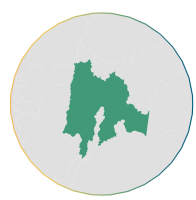
Chocó

- Cocoa sector promotion program



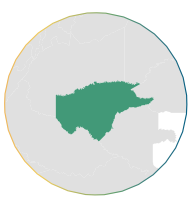
Córdoba

- Capability development program for cashew producer organizations
- Montería food bank
- Cocoa sector promotion program



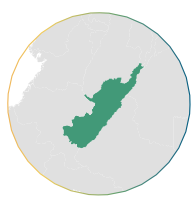
Cundinamarca

- 21st Century Leaders (41 institutions)
- Bogotá food bank
- Cocoa sector promotion program



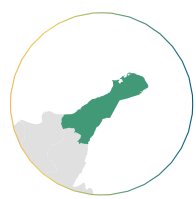
Guaviare

- Cocoa sector promotion program



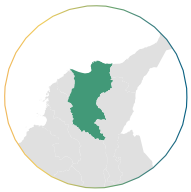
Huila

- Production project for coffee growing estates - Colcafé



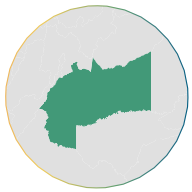
Guajira

- Guajira food bank
- Cocoa sector promotion program



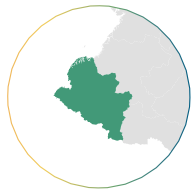
Magdalena

- Capability development program for a cocoa grower organization (Sierra Nevada)
- "Germinar" for the Sierra Nevada region
- Cocoa sector promotion program



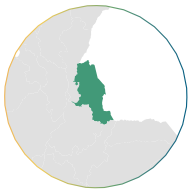
Meta

- Villavicencio food bank
- "Germinar" in Villavicencio
- Cocoa sector promotion program



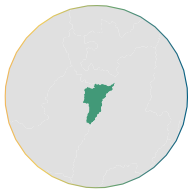
Nariño

- Pasto food bank
- "Sueños de la Quinua" (Dreams of quinoa) - Doria



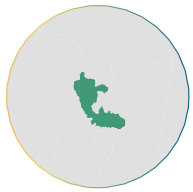
Norte de Santander

- Cúcuta food bank
- Cocoa sector promotion program



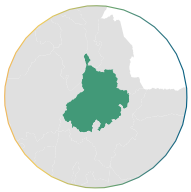
Quindío

- Pereira food bank



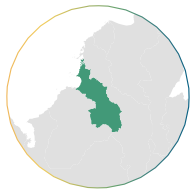
Risaralda

- 21st Century Leaders (24 institutions)
- Pereira food bank
- "Nutresa Quiere a los Niños" (Nutresa cares for children) - EVS (5 IE)
- Production project for coffee growing estates - Colcafé



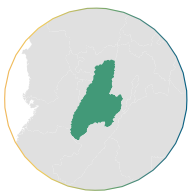
Santander

- 21st Century Leaders (21 institutions)
- Capability development program for cocoa producer organizations
- Bucaramanga food bank
- "Nutresa Quiere a los Niños" (Nutresa cares for children) - EVS (4 IE)
- Cocoa sector promotion program



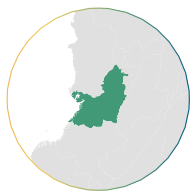
Sucre

- Sincelejo food bank



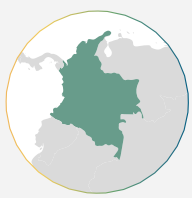
Tolima

- Capability development program for cocoa producer organizations
- Ibague food bank
- Cocoa sector promotion program



Valle del Cauca

- 21st Century Leaders (13 institutions)
- Cali food bank
- Cartago food bank
- "Germinar" in Cartago
- "Nutresa Quiere a los Niños" (Nutresa cares for children) - EVS (14 IE)
- Production project for coffee growing estates - Colcafé



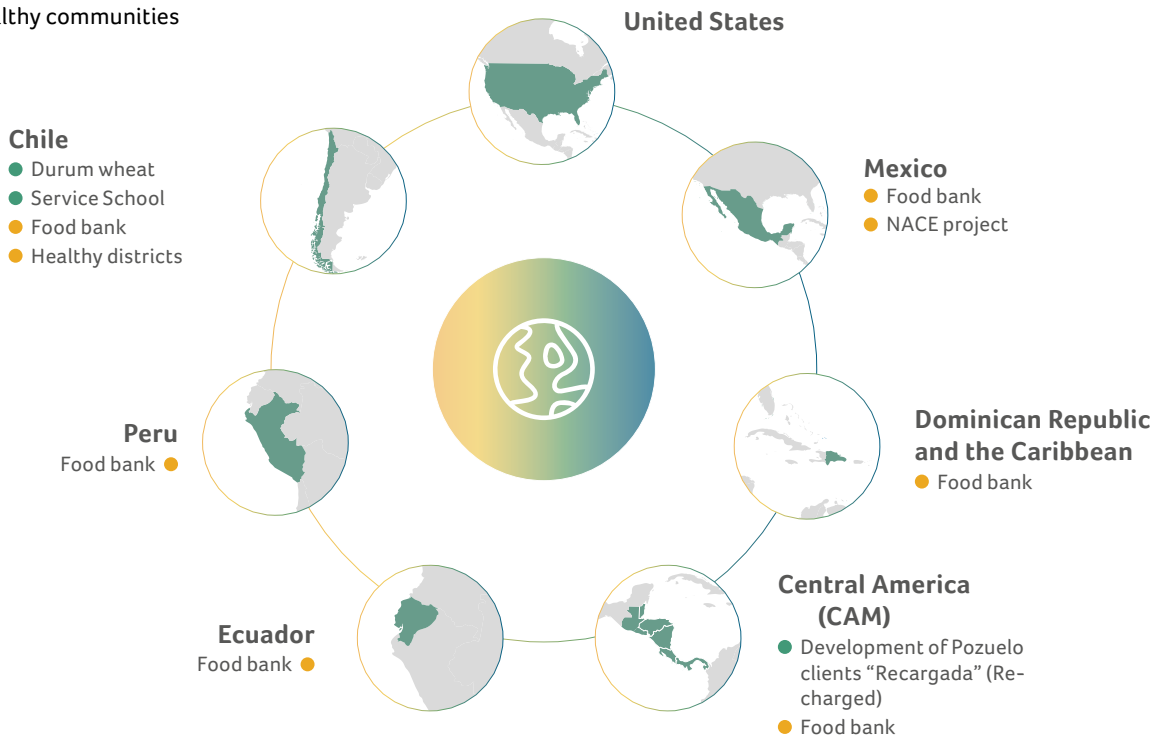
Colombia

- School for Customers
- Novaventa's Individual Entrepreneurs
- Inclusion-driven business in the alternative channel
- Tosh forests
- Sesame seed productive linkage
- Productive linkage for turmeric, cardamom, banana and spirulina
- Nutresa Express Pods "Retoma" (Retake) plan
- "Bastilla Campo"

Volunteers from the Biscuits Business in Costa Rica.

Grupo Nutresa's social investment programs in the geographies.
[GRI 413-1] [GRI 203-1] [GRI 203-2]

- Education for society
- Sustainable value chain
- Healthy communities



Institutional support activities carried out in San Rafael, Antioquia (Colombia).

Education for society

[GRI 203-1] [GRI 203-2]

The Organization continues working on improving school management processes and education quality via the implementation of relevant, efficient and innovative projects in Colombian education institutions. Thus, the Company produces a positive and direct impact on the fulfillment of the goals set in relation to SDG4 —Quality education— and contributes to strengthening the foundations that foster the country's competitiveness and allow bridging justice and inequality gaps.

With the purpose of adapting the social management to the new virtual learning methods, Grupo Nutresa has implemented its training cycle using digital tools. By means of this training cycle, the Organization supported 158 education institutions with 77 training sessions that enhanced the leadership and school management capabilities of more than 1.800 teachers and academic directors in 34 Colombian municipalities. In addition, the Company fostered a new rapprochement and conversation space with the teachers through the first webinar about education: Leadership for a sustainable future. The purpose of this event consisted in addressing topics such as school leadership, sustainability in the school setting, and the importance of creating opportunities for young people and women. A total of 496 people attended the webinar in real time and it has had 471 subsequent views.

In the context of a different management approach, Grupo Nutresa made progress in the process of establishing initiatives for the creation of employment and entrepreneurship opportunities for young people and women. The aim of this action is to mitigate the negative effects caused by the COVID-19 pandemic in all geographies. The Organization created the HUB for the generation of opportunities with the objective of fostering internal synergies and connect them with external initiatives mapped in the region in order to streamline the ecosystem and favor both employability and effective entrepreneurship.

The Company continued enhancing employment and entrepreneurship capabilities by actively participating in the University Business State Committee (CUEE 2.0), an initiative whose purpose is the region's socioeconomic growth based on science, technology and innovation. In 2021, the CUEE benefited 1.486 young people from 9 higher education institutions in the Colombian state of Antioquia. On another note, in Valle del Cauca also in Colombia and in collaboration with the Carvajal Foundation, Grupo Nutresa implemented a program that promotes the strengthening of both young leaders and the communal action boards. The objective is that more than 50 young leaders acquire the

Program focused on strengthening school management in Colombia.

necessary elements to be active agents in the local territory planning processes, contribute to community conflict resolution and consolidate a democratic exercise based on the process of building citizenship, participation and social cohesion in each neighborhood and community identified.

Women and education [GRI 203-1] [GRI 203-2]

Grupo Nutresa mobilizes a diverse and inclusion-driven culture that promotes the respect for Human Rights along the entire value chain. This is a source of competitive advantages that contributes to the process of bridging social gaps based on an egalitarian approach with regard to gender, age, special capabilities, multiculturalism, to name a few.

The contribution to the construction of a fairer and more equitable society can be observed in initiatives focused on improving the school management and education quality through the 21st Century Leaders program. Within this program, the reinforcement of women leadership is essential for bridging gaps in the optimal development of the thousands of children and youngsters who are part of the more than 1.200 education institutions engaged by the initiative. In 2021, out of the 182 education institutions assisted, 38,5% were led by women, that is a total of 70 institutions. Moreover, 969 farmer women participated in the capability development programs.

Education as the driver of transformation and rural development [GRI 203-1] [GRI 203-2]

Education is one of the variables of success in the transformation of the territories and the identification and creation of new opportunities, particularly for young people. By means of its initiatives centered on school leadership and socio-entrepreneurial development in supplier communities and in partnership with key agents for the development of the territories, Grupo Nutresa takes comprehensive actions that produce a positive impact on the rural regions of the countries where the Organization operates.

From the institutions that have benefited from Fundación Nutresa's school leadership program, 65 of them are located in rural areas of Antioquia, Cundinamarca, Risaralda and Santander. These are the regions where Grupo Nutresa commercializes and conducts business with suppliers of commodities such as coffee, cocoa, dairy products and fruits.

The Organization also implemented the program known as “Jóvenes Nutresa” (Nutresa youth), which trained 142 young people who proposed projects to support the development of their regions. The training included topics such as leadership and innovation, as well as citizenship, emotional and financial skills. Seven projects were selected in 2021 and will be supported in 2022 by Fundación Nutresa through its network of volunteers.

"Jóvenes Nutresa" (Nutresa Youth) project [413-1] [GRI 203-2]

Strengthening of the cocoa productive linkage by embedding a vision of conservation of the tropical dry forest ecosystem in the Colombian state of Cesar.

142
young people were trained as part of the strategy

77
young participants **working in** 17 teams

7
teams awarded

19
volunteers from Servicios Nutresa, Meals de Colombia, Alimentos Cárnicos, Comercial Nutresa and Molinos Santa Marta were trained in: Agile methodology (*design thinking*), Canvas preparation, and support for young people and the teams.

4
volunteer promoters acting as the jury of Grupo Nutresa's master of innovation assessed the projects.

Chigorodó
CHIGOJOEM
Solar drying technologization for cocoa processing

Chinú
"JÓVENES EMPRENDEDORES" (YOUNG ENTREPRENEURS)
Cashew production

Necoclí
"Juventud Activa" (Active youth)
Production of local organic fertilizers for cocoa crops.

Úmbita

"Somos Nativos" (We are natives)
Local economic model for rural production.

"Cuatro Puntas" (Four corners)
Technological application for farmers.

PROLACTEOS
Development of innovative products from milk byproducts.

"Raíces Ancestrales" (Ancestral roots)
Production of organic yacon snacks.

Municipality
NAME OF THE PROJECT Project brief description

Project focused on enhancing capabilities in associations of dairy farmers in Colombia.

Sustainable value chain

[GRI 203-1] [GRI 203-2]

The development of capabilities is the basis of Grupo Nutresa's relationship with the communities that are involved in its value chain. The Company continued building and implementing initiatives that engage individuals and organizations to obtain, strengthen and maintain the necessary capabilities to promote sustainable development. Through this approach, more than 944 families who are engaged with raw-material producer organizations accessed virtual training initiatives implemented by Fundación Nutresa on topics such as agroecology and healthy lifestyles, as well as social and business skills.

The Company generates value through support processes that go beyond purchasing the products, and that contribute to the implementation of actions to bridge poverty and inequality gaps in the strategic region. In this regard, 23 associations maintained their commercial relationship, strengthening inclusive businesses that remain in time. Suppliers of cocoa, coffee, turmeric, quinoa, milk, honey, cashew, durum wheat (in Chile), among other products, are part of the Organization's shared value strategies and gain an income from the sale of their.

In the Colombian state of Boyacá, the Umbitana de Leches Cooperative Organization, which supplies Shapelli, a company that is part of the Retail Food Business, implemented the Milk Quality Improvement Plan.

Volunteer from the Cold Cuts Business in Colombia.

In 2021, a total of 1.783 tons of products were purchased from the aforementioned organizations, generating more than COP 11.185.520.235 in revenue for the regions. **[GRI 204-1]**

This brings about well-being and improves the quality of life of more than 5.000 people including farmers and their families. Further, this contributes to boosting and transforming the rural sector in Colombia and Chile.

Aware of the importance of developing community capabilities for the conservation of biodiversity in the territories, the Organization delivers tools and knowledge for the protection of the environment, working jointly with both local and international cooperation organizations. This takes different forms, such as the project implemented in Cesar for the improvement of cocoa quality and productivity, and the conservation of the tropical dry forest, as well as the Valle del Cauca project supporting the improvement of coffee quality and productivity, and the conservation of the Andean bear's habitat.

Finally, the Company joined the 500 Mil Agroempresarias (500 Thousand Agribusiness women) CCI program, led by the Corporación Colombia Internacional (CCI), to transform the life story of agribusiness women by helping them gain their own income and, thus, independence, boosting their self-esteem and enhancing generational replacement.

Volunteering centered on developing capabilities in the territories [GRI 203-2]

Corporate volunteering is an opportunity to mobilize human capital. It allows to put the talent of the employees at the service of society while giving them the opportunity to develop their capabilities by implementing actions of high social value. In this context, 8.122 voluntary actions were organized, with 12.166 employees supporting development activities in the community. This benefited 311.910 people in Colombia, Chile, Ecuador, Peru, Mexico, the United States, Central America (CAM), the Dominican Republic and the Caribbean.

Supporting neighboring communities, grassroots organizations and territories that are more at risk was the focal point of the volunteering strategy. In total, this accounted for more than 5.290 volunteer hours in the deployment of initiatives that promote and support Grupo Nutresa's packaging circularity program and the food security of the poorest communities.

Additionally, 18 volunteers supported social capacity-building initiatives such as "Jóvenes Nutresa" (Nutresa youth) and productive linkages.

Within a new learning framework, volunteer actions migrated to a virtual space, expanding the reach of the training activities for both volunteers and beneficiaries. In 2021, the Organization began the process of reformulating its volunteering model. The update of the program will be completed and implemented in 2022. Moreover, through the "Aula" (Classroom) program, the Organization engaged 14 volunteers from four Business Units, who worked with four organizations and benefited 13 people. The new virtual version of the program includes topics such as creative thinking, teamwork, decision making, leadership, assertive communication, strategic thinking and project management.

Volunteer in Colombia.

Traceability, quality and safety of products

Ensuring the satisfaction, well-being and nutrition of consumers with safe and high-quality products under strict compliance with the legal framework based on the quality management and food safety systems.

Tresmontes Lucchetti employees in Chile.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Consolidating the certifications and maintaining the management systems.	• **ISO 9001 Quality:** 28 operation centers. • **Good manufacturing practices (GMF):** 10 operation centers. • **Hazard analysis and critical control points (HACCP):** 25 operation centers. • **Business Alliance for Secure Commerce (BASC):** 10 operation centers. • **Product certifications** Kosher: 12 operation centers. Halal: 8 operation centers. Fairtrade: 4 operation centers. Organic: 4 operation centers. Carbon neutral: 6 operation centers and 7 brands. • **Agricultural sector certifications** Good agricultural practices: 1 operation center. Rainforest: 5 operation centers.
Guaranteeing food protection.	• Implementation of actions to prevent food fraud and tampering in raw materials, finished products and packaging materials under the guidelines of the Global Food Safety Initiative (GFSI) and the Food Safety Modernization Act (FSMA). • GFSI standard certification audits in the Biscuits, Coffees, Cold Cuts and Chocolates Business Units.
Strengthening the business relations with suppliers and *co-makers*, with the corresponding enforcement of applicable requirements.	• 251 suppliers and more than 5.000 people received training related to quality assurance and good agricultural and manufacturing practices. • Management of *co-makers* in the Biscuits, Chocolates and Pastas Business Units.
Building capabilities for the exports to the United States by implementing the Food Safety Modernization Act (FSMA).	• Compliance with practices associated with the FSMA in Tresmontes Lucchetti and the Coffee, Biscuits, Pastas, Chocolates and Cold Cuts Business Units. • Renewing the IFS certification and the Global Standards for Food Safety BRCGS certification.
Managing food regulatory procedures.	• Formulation of processes for the early identification of signals of legal matters.
Strengthening the safety culture.	• Certification in GFSI: 16 operation centers. • Measurement of the safety culture.
Enhancing the capabilities of the Organization's own laboratories.	• Implementation of initiatives that support the reliability of the results.
Applying 4.0 technologies.	• Implementation of new technologies for food safety.

Grupo Nutresa

holds 272 up-to-date certifications for its operation centers.

Risks and opportunities

[GRI 3-3] [FB-AG-430a.3] [FB-RN-430a.3]

Grupo Nutresa manages the main food risks associated with non-compliance with regulations for quality, safety and food labeling through Hazard analysis and critical control points (HACCP) audits, the implementation of strategies with the teams that promote good practices in the supply chain, the development of programs such as "Buen Vecino" (Good Neighbor) and the monitoring of its operations, always seeking to minimize possible negative impacts on stakeholders.

The Organization also has legal monitoring mechanisms, such as the synergy community of management systems, participation in inter-union impact analysis working groups, and the definition of a process for the identification of signals related to regulatory legal affairs.

Another risk identified by the Organization is the loss of trustworthiness and credibility in the food industry, which can bring with it reputational and financial impacts. This represents an opportunity to maintain and strengthen an ethical and transparent performance that ensures the satisfaction, well-being and nutrition of consumers with safe and quality products.

Finally, the risk of supply chain reconfiguration, stemming from the global container crisis, has an impact on raw material shortages and requires managing multiple initiatives to address the challenge.

Outlook

Keeping the GFSI and HACCP certifications, among others, will continue to be part of the organizational strategy to ensure the quality and safety of products and to contribute to the corporate ability to support the development of the regions.

The changes in food legislation will also challenge the Organization to be proactive in the analysis, measurement and action through the regulatory affairs model. This includes the engagement and articulation with stakeholders, the monitoring in regulatory matters and the development of different initiatives.

Changes in consumption patterns and the expectations of customers and consumers are challenges for relationship management. Therefore, the Company will advance in the application of solutions to claims and complaints, and in the development of cutting-edge practices that ensure transparency and timeliness.

The Businesses will continue working on the culture of safety generating collective awareness, incorporating observable behaviors and recognizing good practices that help prioritize actions to close gaps.

Finally, the digital transformation process in quality and safety processes involving changes in ways of working, leadership *mindsets* and the embracement of new technologies will be a commitment to ensure responsible sourcing and the creation of circular solutions, aspects which are pillars of the 2030 corporate strategy.

Practices that stood out and acknowledgments

New supply node to support the exports of the Cold Cuts Business

Enabling a supply node between the Aguachica (Cesar) and Envigado (Antioquia) plants, both located in Colombia, for the export of beef to Curacao. This achievement allows the leveling-up of the Business with international safety norms and standards endorsed both by the health authorities of the destination and the production country. It also allows the Company to consolidate internal quality and safety management systems that meet the requirements of the international food market.

"Mi Tierra Sur" Business Merit Award

The Cold Cuts Business received an award by the Chamber of Commerce of Aguachica in the International Projection category for contributing to the growth of the region and to the improvement of the quality of life of its inhabitants.

4.0 technologies in the laboratories of the Pastas Business

The Business advanced in the implementation of artificial intelligence and data analytics in laboratories to improve the reliability of analysis, support decision-making processes and reduce delivery times. Among the technologies incorporated is a Petrifilm plate reader that replaces the manual counting of colonies with computer vision and data analytics. The business also applied a correlation tool of the main wheat variables to analyze them in the face of possible deviations. These tools speed up the processes and the Organization has access to more information for making timely and relevant decisions.

Material topic details

Management systems

The evolution of management systems is framed within customer and consumer satisfaction, the needs of stakeholders, risk management, profitable growth, productivity, sustainability and legal compliance. For this reason, Grupo Nutresa holds 272 current certifications for the operation centers. In 2021, 91,8% of the production took place in plants certified under food management standards. **[GRI G4- FP5]**

As a strategy to strengthen competitiveness and achieve efficiency, the organization carried out a pilot in the Cold Cuts Business implementing an integrated methodology of activities, analysis of certifications, articulation with practices of operational excellence and service portfolio supported through the management systems. This initiative became a standard that encourages Businesses to implement it.

The Organization did not receive any warnings due to non-compliance with voluntary codes related to food security and labeling. This confirms the adequate management of the control measures that have been put in place.

In 2021,

91,8% of the production took place in plants certified under food management standards.

There were two notifications for food safety violations in the Retail Food Business in Costa Rica: one from the National Animal Health Service (Senasa) and another from the Ministry of Health for the products “Helado de Malta” (Malt Ice Cream) and “Sándwich Fresa” (Strawberry Sandwich) that had microbiology parameters out of specification, according to the Reglamento Técnico Centroamericano (Central American Technical Regulations): RTCA: 67.04.50:17. In both cases, the Company implemented the corresponding corrective actions and proceeded to withdraw 0,12 tons, representing 1 product item. In none of the cases were there reports of health issues related to consumer health. **[FB-PF-250a.4]** **[FB-PF-250a.3]**

Noncompliance related to the impact of the products and services on health and safety
[GRI 416-2] [SDG 16][FB-PF-260a.2]

	2018	2019	2020	**2021**
Number of fines	0	0	0	**0**
Number of warnings	1	1	0	**0**
Number of noncompliances with the voluntary codes of products and services.	0	0	0	**0**
Total	1	1	-	**-**

Food safety culture

Including habits to achieve a culture of safety has created an opportunity to articulate the programs of organizational culture and workplace health and safety. Thus, the Biscuits, Chocolates, Coffees, Cold Cuts, Pastas and Ice Cream Businesses made progress in the measurement of the level of maturity, identified gaps and undertook action plans that will be formalized in 2022.

The Organization also trained 16.994 employees who support quality systems in areas such as risk and opportunity management, good manufacturing and maintenance practices, HACCP or critical control points, food safety, microbiology, allergens, FSSC 22000, *food defense* and food fraud, among other.

Employee from the Biscuits Business in Costa Rica.

Enhancing the capabilities of the Organization's laboratories

The Company continued participating in inter-laboratory tests with the LGC Laboratory in England for microbiological and physicochemical analysis in the Chocolates Business of Colombia, Mexico and Peru. Additionally, the Biscuits Business participated in inter-laboratory proficiency tests with 28 microbiology results and 16 physicochemical results, all were 100% satisfactory.

Grupo Nutresa's Businesses made progressed in the diagnosis and structuring of the plan to improve the quality standards of the research and development laboratories based on Invima Resolution 1619 and ISO 17025. This includes the strengthening of the analytical and instrumental capacity of the laboratories.

Incorporating 4.0 technologies to optimize processes

Digital transformation is considered a capability that has been incorporated into all organizational dimensions. These are the main advances in this area for the benefit of food safety:

The Biscuits Business made a 3D print for Poka Yoke in cookie tower opening checks to prevent shortages, optimized the capture and integration of control data, and implemented computer vision in the Petrifilm microbiological plate reader.

The Pastas Business applied artificial intelligence technologies through a Petrifilm plate reader and data analytics in the laboratories to correlate wheat variables and improve decision-making processes.

Supplier development [FB-PF-430a.1]

The Company trained 251 suppliers and more than 5.000 people in agrochemicals use, raw material technical requirements, agronomic management of crops, allergens and good agricultural and manufacturing practices. For the top 16 commodity categories that make up the commodity pareto, there was an approximate percentage of 40% certifications. This estimate was taken into account for certifications like the Global Food Safety Initiative (GFSI), as well as for meat, sustainable fishing and HACCP.

Sustainability-related risks assessed

[FB-FR-430a.3]

Grupo Nutresa continues managing the different risks to which it is exposed.

- **Environmental:** Alterations in the water resources, the soil and the atmosphere; dependence on non-renewable resources; inadequate waste management; noncompliance with regulations; loss of biodiversity; inadequate management of hazardous substances; and climate variability at significant and intolerable levels.
- **Social:** Inadequate work environment, product contamination, child labor, violation of the right to freedom of association and of the collective bargaining right at significant and intolerable levels.
- **Critical suppliers in terms of sustainability.** Critical categories are included in the annex.

Click here to find more information about Risk Assessment in the sourcing process

16.994

employees were trained in risk and opportunity management, good manufacturing and maintenance practices, HACCP or critical control points, food safety, microbiology, allergens, FSSC 22000, *food defense* and food fraud, among other matters.

Employee from the Chocolates Business in Colombia.

Employee from Tresmontes Lucchetti in Chile.

Suppliers were also evaluated in environmental and social aspects using audit mechanisms:

New suppliers were screened based on environmental and social criteria [GRI 308-1] [GRI 414-1] [FB-PF-430a.2]

Based on the following criteria:	Environmental			Social		
	2019	2020	**2021**	2019	2020	**2021**
Grupo Nutresa	17,0%	1,5%	**7,23%**	6,0%	0,0%	**3,23%**

Animals raised and processed, and type of housing [G4-FP9] [G4-FP11] [FB-MP-410a.1]

	2019	2020	**2021**
Breeding pigs	9.364	11.424	**13.063**
Sows in cages	8.198	9.262	**10.821**
Fattening pigs (slaughtered)	217.206	246.078	**311.534**
Pigs produced without using cages	N/A	N/A	**43.386**
Fattening pigs (livestock)	64.373	81.000	**90.033**
Pigs in pens	65.539	83.162	**92.275**
Cattle (slaughtered)	24.971	22.111	**21.458**
Cattle (livestock)	N/A	26.148	**40.448**
Cattle in pastures	27.573	25.771	**32.971**

Negative environmental and social impact in the supply chain and actions undertaken [GRI 308-2] [GRI 414-2] [FB-NB-430a.1] [FB-PF-430a.2]

Based on the following criteria:	Environmental		Social	
	2020	**2021**	2020	**2021**
Number of suppliers whose impact has been assessed or whose assessment is up to date.	278	**417**	293	**481**
Number of suppliers with actual significant negative impacts.	3	**21**	10	**12**
Suppliers with actual and potential negative environmental impacts with which improvements have been agreed upon after the assessment.	2	**4**	9	**4**
Percentage of suppliers with negative impacts with which improvements have been agreed upon after the assessment.	67%	**19%**	90%	**33%**
Suppliers with actual and potential significant negative environmental impacts with which the commercial relation has been terminated as a result of the assessment.	-	**-**	-	**-**
Percentage of suppliers with actual and potential significant negative impact with which the commercial relation has been terminated as a result of the assessment.	0%	**0%**	0%	**0%**

Grupo Nutresa

trained 251 suppliers and more than 5.000 people in the use of agrochemicals, technical requirements for supplies, agronomic management of crops and plantations, allergens and good agricultural and manufacturing practices.

Employee from the Cold Cuts Business in Colombia.

Animal welfare **[FB-RN-430a.3]**

The Company strengthened the pilot of the feedlot - cattle production model and began plans to expand the capacity to 2.000 head of cattle in 2022.

The Company has the human talent that enables it to guarantee zootechnical, animal welfare and animal health conditions in Grupo Nutresa's livestock farms and those of the partner companies, taking care of aspects such as nutrition, health, absence of physical and thermal discomfort, absence of fear, pain, stress and slaughtering.

Additionally, the Cold Cuts Business has sustainable sourcing initiatives in place that ensure 15,5% of pork produced without gestation crates. The commitment for 2027 is to achieve 100%, which means that 22% of the meat production will be the result of cage-free gestation. **[FB-MP-410a.1]**

In addition, the Company controls the use of medicines such as antibiotics and anti-inflammatories, the times of use and withdrawal, in an attempt to protect the quality of the meat, the health of its own herd and that of third parties.

In the context of eggs produced in cage-free environments, the Company has defined an animal welfare policy that includes this commitment. Additionally, it analyzes the egg supply capabilities that help identify sustainable egg suppliers. **[FB-MP-410a.2]**

All the audits of the operations are conducted by a third party, the Colombian Institute for Agriculture and Livestock (ICA in Spanish), observing the standard of good livestock farming practices production. These audits are conducted every three years.

Food security

Designing and undertaking initiatives focused on eradicating hunger and malnutrition, creating healthy food consumption possibilities by building sustainable agricultural capacities.

Development of the "Germinar" program in communities of Cartago, Colombia.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Implementing actions focused on building capacities related to food security and sustainable agriculture in both urban and rural communities.	• 1.712 sustainable nourishment systems were implemented in five places in Colombia, resulting in the production of 20.822 kilograms of food and 52.055 servings throughout 2021. • 19 food security programs were implemented, benefiting 12.013 families in Colombia, 422 in Chile and 1.863 in Mexico. • Eight free internet zones were enabled for the development of capacities of 234 people from Ciudad Bolívar, Antioquia, in partnership with the CES University. • 2.160 people trained in food security, healthy lifestyles and agroecological principles via digital platforms.
Contributing to the eradication of hunger and malnutrition by working jointly with the food banks.	• 29 food banks were intervened to build capacities in food handling, assurance, control and safety. • 858 tons of products were delivered to food banks across the strategic region. • 1.290.397 people benefited from the programs focused on reducing food loss and waste in Colombia, Chile, Ecuador, Costa Rica, Guatemala, Nicaragua and the Dominican Republic.
Raising the stakeholders' awareness about the importance of food production and consumption, and how these affect the planet.	• 7.941 food packages were delivered to food banks and vulnerable communities in Mexico, Chile, the Dominican Republic, Costa Rica, Peru, Panama, Guatemala, Nicaragua, Ecuador and Colombia through the volunteer initiative "Tus Pasos Contra el Hambre" (Your steps against hunger). This activity benefited 8.229 families.

Risks and Opportunities.

[GRI 103-1] [FB-MP-250a.4]

Hunger and malnutrition are social problems faced by the countries where Grupo Nutresa operates. This global landscape highlights the urgency for Governments, non-governmental organizations (NGOs), private companies and civil society to create capacity to harness time, land and other resources essential for food production that meet basic food needs in a nutritious and sustainable manner.

The United Nations (UN) has stated that "hunger and malnutrition mean less productive individuals, who are more prone to disease and thus often unable to earn more and improve their livelihoods". This highlights the exponential increase in extreme poverty scenarios resulting from hunger. Hence, the Company's efforts will focused on contributing to ensuring food supply and mitigating future negative impacts derived from this global challenge.

Further, inadequate harvesting practices, migration and political conflicts over land tenure represent other risks that have contributed to increasing food waste and affecting food availability. These risks are, in turn, an opportunity to continue contributing to vulnerable communities through initiatives, in partnership with key actors in the territory, that contribute to bridging gaps thanks to food recovery, optimal self-consumption and exchange or trading for the sustainability of family or community food systems throughout the strategic region.

As a sustainable and people-centered food company, Grupo Nutresa will continue to create solutions and opportunities in food security, healthy lifestyles and agroecological practices for the communities that promote balanced, responsible and biodiverse nutrition. These are all essential aspects for the growth and development of every human being to reach their potential and be an active actor in the construction of community processes.

The Company has set the corporate commitment to implement by 2030

62

capability development projects

related to food security with a focus on healthy lifestyles and agroecological practices.

Outlook

To contribute to the fulfillment of the global targets set for SDG 2, the Company has drawn up the corporate commitment to implement by 2030 62 capacity building projects in food security with a focus on healthy lifestyles and agroecological practices.

Likewise, to help mitigate the negative effects produced by the changes in the planet that affect society, the environment and the economy, the Company will advance in the implementation of innovative strategies to improve processes and develop capacities among the stakeholders involved, and will widen its attention focus to new population groups, such as children, through education institutions.

The Company will continue with the implementation of programs and projects, together with strategic partners, that allow a positive impact on the communities of the value chain and contribute to the access, safety, availability and consumption of healthy foods through the "Germinar" (Sprouting) food security program. By 2030, the Organization aims to have built 3.000 sustainable family and community nourishment systems with communities.

Finally, Grupo Nutresa will continue to work hand in hand with the Global Foodbanking Network and the Colombian Food Bank Association (ABACO) to implement professionalization processes in 23 food banks in the region and in sustainable projects. This implementation will lead them to set challenging goals with a 2050 vision and will contribute to the achievement of corporate and global goals.

Practices that stood out and acknowledgments

Four years sowing good habits in coffee farming communities

In 2018 in the rural sector Alto de los Jaramillo, in Ciudad Bolívar (Antioquia, Colombia), was launched a model of community work aimed at strengthening collaborative networks on food security. The training process ended in 2021 with positive results, such as the improvement in food access, availability and safety, the optimization of consumption patterns, and the reduction of the high dependence on the external purchase of products that can be grown in the patios, terraces and land of each property.

GERMINAR
sembramos buenos hábitos

Over four years, the "Germinar" (Sprouting) program supported the construction of 52 sustainable nourishment systems in two rural sectors, Alto de los Jaramillo and La Arboleda, in Ciudad Bolívar. The project fostered the development of capacities in food security and healthy lifestyles among 54 families and 65 students who participated in the School Garden program.

1.360
square meters cultivated.

41.035
food servings brought to the beneficiaries' table.

16.414
kilograms of food produced.

COP 42.081.736
average food expenditure savings.

Beneficiary of the 'Germinar' program in the Colombian state of Antioquia.

Practices that stood out and acknowledgments

Financial skills focused on family economy and food security

The WhatsApp version of "Cuentas Sin Cuento-Sin Fronteras" (Clear Accounts-No Borders) is a financial education model of the Fundación Grupo Bancolombia to raise awareness about the importance of good management of personal finances and to improve the quality of life. In partnership with Grupo Nutresa, this program is promoted in rural and urban communities and engages 77 people in Bolívar, Córdoba and Antioquia (Colombia).

This partnership includes the creation of digital materials such as podcasts to amplify the voices sharing the realities of communities around food insecurity and to revitalize food home-growing practices. The program promotes family farming practices as a saving strategy.

NACE, a strategy for the creation of healthy habits and environments in Mexico

In Mexico, the Nutrition and Community Action for Healthy Environments (NACE) project continued with the mission of generating behavioral changes in the nutrition of 1.893 children from six elementary schools in the municipalities of Villa Corona and Acatlán de Juárez, in Jalisco. The project addresses four key components for the beneficiaries' food and nutrition security: providing healthy food in schools, training the school community to generate healthy environments, improving the time and intensity of physical activity, and disseminating the knowledge generated from the experience.

NACE highlights the creation of content about nutrition, healthy lifestyles, the planting of home gardens, and physical activity, as well as the use of digital platforms and networks such as Facebook, YouTube, Blog and WhatsApp to share knowledge and create capacity.

Healthy nourishment systems from the Germinar program, in Valle del Cauca, Colombia.

Material topic details

The importance of providing tools and developing capacities to strengthen the production of safe, healthy and sustainable food makes the design, formulation and execution of projects for communities located in each of the countries of the strategic region a growing priority for the Organization.

With this clear objective, Grupo Nutresa focuses on creating, together with other key actors in territorial development, sustainable nourishment systems. The Company also encourages the planting of food to improve the nutritional conditions of communities at the most vulnerable times, to contribute to their quality of life and the functionality of the individual, and to improve family and community living conditions. These actions benefit urban and rural communities that require assistance in regards to food, and that are part of the value chain of Grupo Nutresa and its partners.

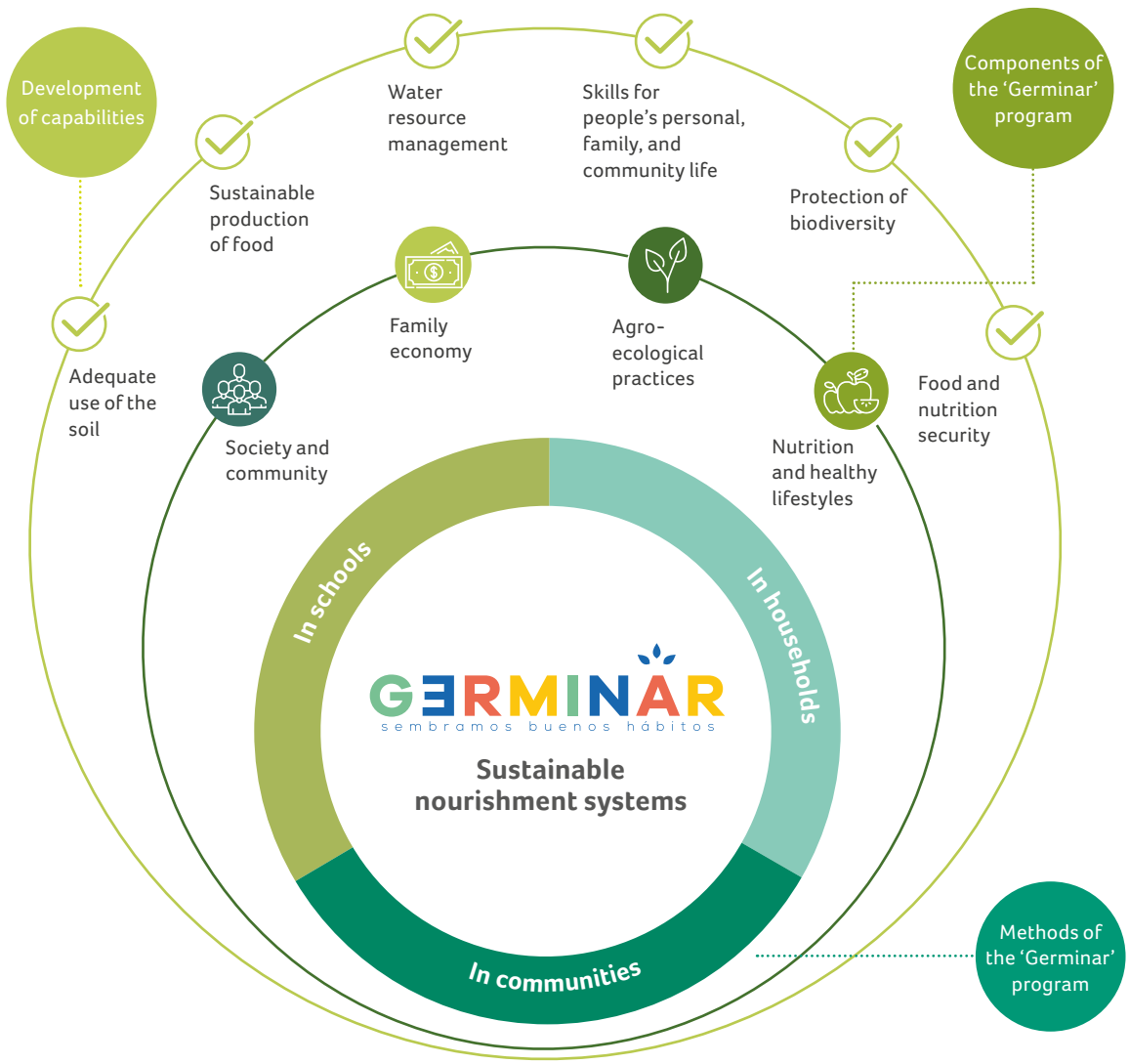
Germinar, a program sowing healthy habits

The program strengthens its methodological, technical, and nutritional proposition with new agro-ecological principles and recommendations from the Latin American Agroecology Research Centre (Centro Latinoamericano de Investigaciones Agroecológicas, CELIA). The initiative can thus get closer to communities under a new approach with holistic practices, which contribute toward food production. The World Wide Fund for Nature (WWF) will carry out a final technical review of the exercise in 2022. This NGO will collaborate with Fundación Nutresa to implement the program in the geographies where the Organization operates.

Grupo Nutresa promotes

sustainable nourishment systems

based on agro-ecological principles that contribute to food security in communities that are part of the value chain.



Implementation of the 'Germinar' program with ceviche vendors in Cartagena, Colombia.

Additionally, due to the implementation of Germinar, 1.712 healthy nourishment systems were built. These systems yielded 20.822 kilograms of food and 2.371 families in Antioquia, Bolívar, Valle del Cauca, Magdalena, and Meta, in Colombia benefited from them. This management was carried out with the participation of universities, the mayor's office, food banks, and other entities that boost the development in the districts and allow for the increase of the scope of production to 15 tons of food among the systems implemented in the country.

The program was carried out in Ciudad Bolívar, Antioquia, alongside the brand Kibo and Universidad CES. Both institutions contributed with capabilities for the development of new recipes and the consolidation of traditional dishes in which different fruits and vegetables were used. The training was crucial due to the COVID-19 pandemic, and it was carried out by enabling eight free community-internet access points. Having the communities be constantly connected through their mobile devices made learning easier in subjects related to food safety and other academic components provided by Fundación Nutresa.

Support activities were carried out on the CES virtual platform, with the following six modules divided in 53 hours of effective training: "Healthy eating habits," "Sustainable handling of productive gardens," "Getting to know my productive garden," "From the garden to the kitchen," "Mindful eating habits," and "Sanitary handling of food." Consequently, 55 farmers received their certificates for each module.

Moreover, the Company integrated two of its programs, 'Germinar' and 'Estilos de Vida Saludable,' to contribute with new learnings by creating sustainable nourishment systems, and providing training in agro-ecology, nutrition, and social and community development. 65 young boys and girls from a Colombian education institution received benefits as well as school kits. Thus, Grupo Nutresa contributes to improving the conditions that enable children to have access to schools

Grupo Nutresa signed an agreement to incentivize family farming in favor of food security through the 'Germinar' program in three subregions in the state of Antioquia, Colombia.

12.000 m²
planted

23.680
servings

1.500 families
benefited

and not having to drop out.

Partnerships for strengthening food security in communities

In order to keep contributing to the mitigation of hunger and bridging the food insecurity gap caused by COVID-19 in the Colombian state of Antioquia, the Organization signed an agreement with the Sura Foundation, Ábaco, the 'Saciar' Foundation and the food and nutrition security management of the Antioquia Governor's office (known as Maná) to promote family farming in favor of food security. This was carried out through the 'Germinar' program in three of the state's subregions (east, southeast and Urabá) and 13 municipalities: Guarne, Marinilla, El Santuario, El Peñol, Rionegro, San Vicente, Concepción, Alejandría, Sonsón, Urrao, Apartadó, Mutatá and Chigorodó. Crops were placed in the lands of the families, and a total of 12.000 square meters worth of an assortment of vegetables, legumes, and aromatics were planted. This contributed to a total of 23.680 servings consumed of these harvested foods.

1.500 families benefited from this partnership for a year, which helped improve the nutritional status and the comprehensive human development of the population. This intervention included technical support, development of nutrition capacities, creation of consumption patterns, and a lowering of food loss and waste within the 'Reagro' program, from the 'Saciar' Foundation. This work gave priority to the rural population and to women by establishing sustainable nourishment systems, recalling agro-ecological practices and developing capabilities for a future in which families have the right to healthy eating.

Under this partnership model, the Company signed an agreement to strive for food security with eight organizations that work with vulnerable populations in the municipality of Cartago, Valle del Cauca, through the Diocesan Food Bank.

Moreover, in partnership with the Institute of Nutrition and Food Technology (Instituto de Nutrición y Tecnología de los Alimentos, INTA) from Universidad de Chile, the Organization developed a risk index for childhood obesity in communes (Índice de Riesgo de Obesidad Infantil Comunal, Irobic), which defines the dimensions and indicators that determine the risk for childhood obesity in a commune by applying a composite-indicators methodology. From this information, the institute created a ranking for communes using scored obesity risks (high, intermediate, or low). It is notewor-thy to highlight the participation of a panel of national and international external experts, such as Vidarium, which have supported this process.

Moreover, Tresmontes Lucchetti remains at the forefront of the Multi-Sector SDG2 Work Group, which was created in the 2018 United Nations Global Compact as a response to this program. Representatives from the public, private, and academic sectors participate in this work group to promote healthy lifestyles. In 2021, two virtual sessions were held in March and November. In May, Tresmontes Lucchetti participated in the United Nations Food Systems Summit, leading the independent dialog titled "Facing COVID-19 and obesity in food insecurity contexts" alongside Global Compact Chile and a panel of experts. The event was broadcast live by Emol TV and had over 130.000 views.

The ‘Germinar’ program promotes food security in Colombia.

Innovation

Managing and promoting high-impact innovation by collaborating with the global science, technology and innovation ecosystem in order to gain new knowledge that allows researching and developing products, services, experiences and business models.

Employees from the Chocolates Business in Colombia.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Incorporating the capabilities of companies or entrepreneurship projects that anticipate the forward planning of the Businesses and their H2 and H3 innovation initiatives.	• Investment in four entrepreneurship projects through Nutresa Ventures with the aim of incorporating disruptive innovations.
Promoting organizational growth via intrapreneurship initiatives.	• Developing and strengthening corporate entrepreneurship programs in 7 Business Units.
Innovating in opportunities with a significant impact.	• 17,2% of the total sales were innovation-driven sales. • 506 environmental innovations and 246 social innovations. • COP 148.040.693.989 in sales from environmental innovations and COP 348.322.934.470 from social innovations. • COP 21.088.375.983 in savings from environmental innovations and COP 2.247.530.949 in savings from social innovations.
Strengthening the technological monitoring processes.	• 10 training sessions for the implementation of monitoring processes in all Business Units. • More than 50 deliverables and reports, as well as technological, nutritional, industrial-property and competitor alerts.
Creating and managing the innovation ecosystem map.	• 10 projects submitted to science, technology and innovation calls for entries in Colombia, allocating COP 122.544.849 in financing for 2022, as well as tax benefits amounting to COP 1.505.335.141 in 2021 and COP 1.289.234.192 in 2022. Participation in four calls for entries within the ecosystem.
Consolidating the Scientific Research Center in Food, Health, and Nutrition, Vidarium, as a source of information on health and nutrition.	• Progress was made in the production of information regarding obesity, cardiometabolic health and bioactive components to provide food and lifestyle choices that contribute to people's health. • Publication of four research articles in high-impact journals.
Thoroughly using Imagix 2.0 programs and tools.	• 450 promoters and 350 employees and leaders trained in innovation methodologies. • COP 167.395.938.395 invested in R&D+i. • 344 people exclusively dedicated to R&D+i.

Employees from the Coffee Business in Colombia.

Risks and opportunities [GRI 103-1]

The management of Grupo Nutresa takes place within a context that entails great risks and opportunities for transformation, which require swiftness, adaptation, and a more active relationship with the ecosystem. This aims at strengthening the deeper understanding of new social and economic changes, as well as of the behavior and the consumption patterns in society.

Within this highly competitive context, the Company has taken advantage of its presence in geographies, and intensified its efforts toward identifying opportunities from a deeper understanding of the consumer, as well as towards meeting various needs with a portfolio of ever more valued innovations regarding services, business models, experiences, and high-value products. In turn, digital capabilities, corporate entrepreneurship initiatives, the connection with multiple ecosystems, and the development of the health and nutrition portfolio have been improved. This is one strategic priority for the Organization.

Understanding new working methods and the access to global talent is another opportunity for Grupo Nutresa to continue developing capabilities with its employees, by strengthening their competencies and skills, and aligning their goals with those of the Organization. Lastly, delving deeper into new working methods and innovation methodologies, via training and providing tools to Business units and their teams, will be critical for a rapid reading of the changes and needs of the market, and to adapt and create differentiated solutions.

Grupo Nutresa

obtained the top score in the Innovation Management category within the Economic Dimension in the Dow Jones Sustainability Index 2021 (DJSI).

Outlook

Grupo Nutresa expects to double its 2020 sales by 2030. Therefore, innovation plays a crucial role in obtaining enablers that boost the development of new products, services, business models, channels, and experiences.

Enhancing corporate entrepreneurship will be crucial, as it will expedite the generation of high-impact innovation and of new incomes in the various geographies. Additionally, incremental innovation will remain an important focus of the strategy to guarantee the dynamism of the brands toward the consumer. Managing such diverse portfolios and strengthening culture, capabilities, processes, and methodologies will be crucial to guarantee resource impact and efficiency. Furthermore, the pursuit of additional layers of growth in categories and new businesses for Grupo Nutresa will be the priority by 2030. Given the capabilities of the Organization or the developments in the market, these businesses may eventually be integrated into the portfolio.

Creating and strengthening a network within the innovation ecosystem will gain great relevance for integrating new technologies, knowledge, and talent, as well as for providing value propositions with a higher disruption degree. The Organization will be able to hasten their internal initiatives and exchange value with the ecosystem through partnerships and collaborations with universities, suppliers, the government, and with Nutresa Ventures investments.

The deep understanding and constant monitoring of the trends and consumer behavior are crucial to constantly produce value propositions that meet the changes of the market and the needs of consumers, customers, and shoppers.

Practices that stood out and acknowledgments

Experience innovation strategy for the "Drácula" brand

The main goal in 2021 was to "make 'Drácula' the host of Halloween." By innovating with new collectibles designed under the "Gloomy domains" concept, and using efficient and effective channels such as social media, the brand was able to break their sales record of COP 10.124 million, equivalent to over 6,2 million units sold. This represents a sales growth of 31% in contrast with 2020. Additionally, it is worth mentioning the related EBITDA of 21% and over 7.000 new followers on Instagram, amounting to more than 56.000 in total. The Company was also a trending topic on Twitter during Halloween with over 16.000 tweets, and news coverage in over 11 websites, for a total of COP 200 million in *free press*.

Material topic details

Grupo Nutresa makes progress in the work on fulfilling its goal of doubling the 2020 sales by 2030. For this purpose, the Organization has relied on innovation as an enabler that boosts new products, services, business models, channels and experiences. In 2021, the Company strengthened its management in geographies, and intensified its efforts toward identifying opportunities from a deeper understanding of the consumer, as well as toward meeting various needs with a portfolio of innovations and high-value products.

Enhancing corporate entrepreneurship was crucial for the transformation, growth, and creation of new income sources for the Company in the different geographies of the strategic region. Additionally, incremental innovation remained an important focus of the strategy to guarantee the dynamism of the brands toward the consumer. Managing such diverse portfolios was crucial in order to guarantee the impact and the efficiency of the resources available for these projects.

In alignment with the constant and sustained effort regarding transformation and disruption, in 2021, the Company was granted different awards by external entities highlighting the evolution and maturity of the innovation model, namely:

- Third place in the National Ranking of Entrepreneurial Innovation 2021 compiled by the ANDI and the *Dinero* magazine.
- Maximum score in the Innovation Management category within the Economic Dimension of the Dow Jones Sustainability Index 2021.
- National Exports Award granted to the Coffee Business by Analdex - Procolombia.

High-impact innovation

- Creation of more balanced portfolios in terms of scope and type of innovation.
- COP 2.003.050.838.864 in innovation-driven sales.
- COP 148.040.693.989 in sales from environmental innovations and COP 348.322.934.470 from social innovations.
- COP 21.088.375.983 in savings from environmental innovations and COP 2.247.530.949 in savings from social innovations.

Employee from the Cold Cuts Business in Colombia.

Health and nutrition

Launch of specialized health and nutrition propositions that showcase the continuous research and innovation efforts carried out by Grupo Nutresa. The following are some of the propositions that stand out:

- Bénet Sport, sports nutrition portfolio.
- Pietrán's Veggie product line, with alternative protein options, such as lasagna and *nuggets*.
- Tosh's vegan beverages in the *plant-based segment*.
- Sugar-free Chocolisto and oatmeal portfolio in the Chocolates Business.
- Saltín Noel and Tosh products that strengthen the immune system.
- Portfolio of ice cream products for children, which contribute to bone and teeth development.

Imagix Promoters from Servicios Nutresa in Colombia.

Other innovations

Novaventa's beauty product catalog 'Máss Prestigio' and Comercial Nutresa's 'Nutresa en Casa' innovated with their business model to develop last-mile capabilities. Tresmontes Lucchetti innovated from an environmental dimension to compost over 118 tons of ash by-products. EmprendeDoria, from the Pastas Business, supported entrepreneurs in the area of influence of the Mosquera plant in Colombia through voluntary work.

Internalization of the model

Progress has been made toward consolidating the implementation of the innovation strategy in both Colombia and the strategic region. This has been achieved by promoting the embracement of the strategy, delving into the tools that each axis provides, and increasing its impact.

Innovation programs

Imagix promotores

This initiative reached 450 employees skilled in culture, leadership, methodologies and innovation development capabilities in Colombia, Central America, the Dominican Republic, Chile, Mexico, Peru and Ecuador. In 2021, there were 263 active promoters on average, which roughly corresponds to 75% of all promoters, and more than 2.200 support activities were carried out. Additionally, the Company organized an event with approximately 200 promoters per activity.

Imagix éxitos INNOVADORES

This program promotes participation in the implementation of continuous improvement ideas. 4.967 Innovative Success Stories and 689 success stories were obtained. Moreover, 948 employees participated in high-impact success stories throughout the strategic region. This program achieved an 8% growth regarding high-impact innovation success stories.

Out of the box DALE LA VUELTA

Promotes the development of Grupo Nutresa's disruptive innovation and has a capital fund to create opportunities for future growth. Grupo Nutresa supported a new project in 2021 and endorsed the development of a winner from previous editions. Out of 73 propositions, two new initiatives were chosen for this fourth edition.

Imagix soluciones INNOVADORAS

Open participation for Business units to overcome challenges. In 2021, the Company proposed a challenge, for which there were 35 employees who participated and 15 applications, 3 of which received awards.

In the context of Exemplary Practices, the Company awarded an accolade to the Open Book Open Mind initiative from the Biscuits Business, which promotes the habit of reading among employees.

Resources

The Organization allocates resources to boost innovation according to the strategy and innovation portfolio.

COP 167.395.938.395 million invested in R&D+i, equivalent to 1,43% of the sales invested in innovation.

344 people exclusively dedicated to R&D+i throughout the Organization.

Employee from Opperar in Colombia.

Grupo Nutresa developed

53 open innovation projects

in collaboration with external agents to gain access to capabilities, experience, methods, tools, and resources that create high value.

Culture

Training

- 11 online Imagix Academy courses on the innovation process, and 765 views on average for each course.
- More than 350 employees and leaders received training in innovation methodologies.
- 30 leaders of the Retail Food Business and La Recetta received training intended for high-level teams and focused on methodological concepts and tools, in addition to tactical and operative aspects of innovation.

Imagix media

- Expansion of the scope, with over 4.268 followers on social media by the end of 2021.

Open innovation

Collaboration with actors external to the Company to develop 53 open innovation projects to gain access to capabilities, experience, methods, tools, and resources that create high value. The Nutresa Ventures fund invested in four entrepreneurship projects, thus setting up connections with companies through technologies and propositions that will be of great relevance for future innovations.

Coffee Business production plant in Medellín, Colombia.

Ecosystem

Developing academic collaboration networks, research centers, suppliers, and government bodies. This ecosystem contributed with capabilities, co-financing, and experts, and allowed for a higher speed, quality, and competitiveness. The main results of this axis include the development of basic research projects, doctoral researches from Grupo Nutresa employees, participation of Vidarium in projects and doctoral and master's committees in Colombia and abroad, and validation of new raw materials with suppliers.

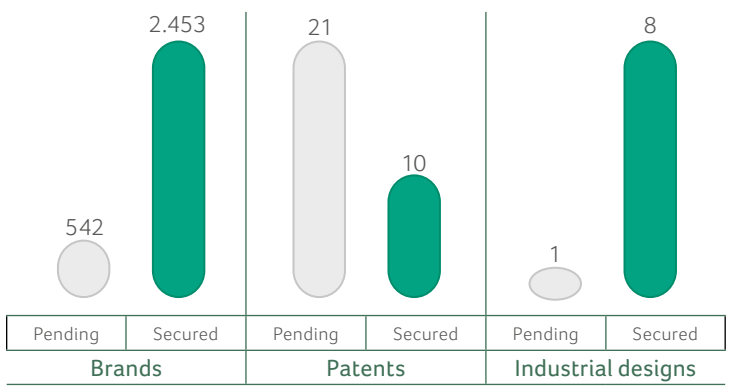
In 2021, 10 projects were submitted to calls for entries, thus resulting in tax benefits totaling COP 1.505.335.141 for 2021 and COP 1.289.234.192 for 2022. For 2022, financing amounts to COP 122.544.849. The calls for entries were the following:

- **Call for entries 904** to register proposals that will have access to tax benefits for investing in scientific, technological and innovative projects 2021 - Ministry of Science, Technology and Innovation (also known as Minciencias in Spanish).
- **Call for entries 902:** open to applications for tax benefits for including people holding doctorate degrees in the staff of companies - Minciencias.
- Institutional call for entries to finance applied research projects in partnership with external entities - Pascual Bravo University Institution.

Intellectual property

Intellectual property safeguards and preserves the generated knowledge, identifies fundamental technology trends in planning and forward planning exercises, and maintains competitive advantages.

Brands, patents and industrial designs



Effective innovation in Grupo Nutresa

Imagix éxitos INNOVADORES

4.967
Innovative success stories in Grupo Nutresa

948
Number of participants on success stories

689
High impact innovative success storie

Imagix soluciones INNOVADORAS

1
Challenge launched

35
Participants

6
Businesses

3
Rewarded solutions

6
Rewarded employees

Out of the box

73
Projects

2
Rewarded projects

Fifth version of Out of the Box released

Imagix Promotores

455
Innovation promoters

- **310 PRO**
- **103 EXPERT**
- **42 MASTER**

Virtual meeting of promoters 2021

3
Event days / Talks Workshops Activities

200
Average p romoters per activity

4.7/5
Meeting satisfaction

Countries
Colombia, Mexico, Chile, Dominican Republic, Central America, Ecuador, Peru, Panama.

Newsletter

12
Annual newsletters

With information of interest related to innovation

¡Revés sin Estrés!

400
Live views

2.234
Post-event views

Speakers
Álvaro Gómez,
Viviana Otálvaro
Juan Mauricio Montoya

Instagram

4.420
Followers

1.268
Follower Growth

MONITORS AND RANKINGS

3rd **Most innovative company**
-ANDI, Dinero

Dow Jones Sustainability Index

100 SCORE IN INNOVATION MANAGEMENT

3 POINTS MORE THAN IN 2020
97 points 2020

Jay Rao monitor in Colombia

3.51 2016 rating

Product innovations

Cold Cuts Business

Pietrán's new guacamole, veggie lasagna and veggie nuggets

Pietrán released Guacamole, Veggie Lasagna, and Veggie Nuggets in the Colombian market, a great undertaking for the brand. This will allow the brand to bring different alternatives and practical options to the consumers for them to enjoy something healthy for lunch and dinner.

Kibo debuts in Panama with its products Veggie Burger and Veggie Bites

The brand Kibo ventures in Panama with the following two meat-analog products: Veggie Burger and Veggie Bites, to complement their portfolio and continue promoting conscious eating and sustainable nutrition among flexitarian consumers seeking products made from different plant-based sources.

Pietrán's hummus

Pietrán continues innovating to bring food alternatives to its consumers and expands its portfolio in Colombia with plant-based spread products. The brand introduces their new Pietrán hummus, a delicious combination of chickpeas, tahini, garlic, and olive oil. With 2,6 grams of protein and 2,7 grams of fiber, it is ideal to serve with meals in any moment of the day.

Pietrán ventures into the category of fish and shellfish

Pietrán released their new portfolio of salmon and tuna in the Colombian market, an undertaking that will allow them to access an uncharted category, and offer a balanced, nutritious, and delicious protein alternative to their consumers. The portfolio includes Salmon and Tuna au naturale, to prepare according to your taste, as well as Salmón Asiático and Salmón Finas Hierbas, which are ready to cook and enjoy in a few minutes. All these products are a preservative-free natural source of protein and omega fatty-acids.

Biscuits Business

Festival's Recreo Maracumango

Festival's new Recreo Maracumango are the latest launch of the brand in Colombia. With this innovation, the brand actively participates in the subsegment of dark cookies and connects with young consumers through a limited edition of dark chocolate cookie and cream sandwich combining the tartness of the passion fruit with the sweetness of the mango.

Tosh's miltigrain and oatmeal cookies

In alignment with the needs of American consumers, and taking advantage of AbiMar Foods' production capabilities, Tosh developed two new products for the North American market: low-sugar chocolate-chip oatmeal cookies, and whole multigrain cookies. Both products are excellent sources of fiber.

Kibo's Lentil Crackers

Looking to strengthen the value proposition of the brand and in alignment with plant-based food trends, Kibo released the new Lentil Crackers in the United States: a nutritious, sustainable and delicious alternative. This delicious *snack* is made from lentils, sesame seeds and amaranth. It is also an unparalleled source of vegetable protein (9 grams).

Pozuelo's dulce de leche roll cake

Pozuelo introduced the new dulce de leche roll cake in the Costa Rican market. This product combines the softness of the sponge cake with a delicious traditional dulce-de-leche-flavored filling. This is an indulgent alternative that satisfies cravings at any time of the day.

Tosh's baked pita

The new pita pita products will revitalize and increase the value of the healthy *snacks* category due to the fact that they are baked with natural ingredients. These products have a low sodium content and no cholesterol, preservatives or artificial flavoring additives. Available in three flavors: caramelized onion, mushrooms & peppercorns, and sweet paprika.

Chocolates Business

Cordillera couverture without added sugar

Cordillera released their couverture without added sugar. This new product meets the need of customers and consumers looking for healthy foods. The new milk-chocolate flavored couverture without added sugar, and with natural sweetener, is currently the only one of its kind in the Central American market.

Chocolisto sugar-free

Chocolisto is committed to the constant improvement of its value proposition with the aim of being the top ally of parents and enabling children to thrive. In alignment with this purpose, the brand has released a sugar-free line to meet the needs of modern consumers.

Tosh's peanut butter

In Colombia, Tosh launched its first product in the spreads category, a delicious peanut butter made with one main ingredient: 100% unsalted peanuts. It is a good source of protein, without preservatives or added sugar, as well as a perfect healthy and natural option. The balance and harmony of its special flavor is something you will enjoy.

Tosh oatmeal products

Tosh launched its rolled oats in Central America looking increase the value and boost the brand in this new category. This product contains fruit and natural ingredients but no added sugar, and it is a good source of fiber. Three oatmeal product items will be available: natural oatmeal, apple & cinnamon oatmeal, and strawberry-quinoa oatmeal.

Kraks peanuts with lime

In Colombia, La Especial released their lime-flavored Kraks peanuts for consumers to enjoy "*Kraks* that taste tangy" and for the brand to continue participating in the nuts category in the Colombian market.

Coffee Business

Kibo's vegetable protein instant beverages

The Coffee Business introduced Kibo's new delicious and easy-to-make plant-based protein instant beverages to the Colombian market. This is an excellent source of protein and fiber that helps with muscle growth and preservation, and regulates and supports bowel function as well. Both of its flavors, wild vanilla and Andean cocoa, can be found at kibofoods.com.co and in Novaventa's catalog.

Matiz Coffee Special Edition

Two of Nutresa's *premium* brands join forces to materialize Matiz Montblanc, a delicious chocolate-and-*brownie*-flavored toasted and ground coffee. This new product combines the experience and mastery of the Matiz Coffee and the indulgence of the Montblanc chocolates to produce a coffee with a pungent aroma, creamy body and toasted notes with a brownie and chocolate flavor. It is simply irresistible.

Tresmontes Lucchetti

Livean's Pürfrut fruit puree

The new fruit purees from Livean, Tresmontes Lucchetti's top brand, are made with 100% natural fruit. They are ideal for any time of the day. Rich in vitamin C, Livean Pürfrut fruit purees contain 0% added sugar, preservatives, artificial flavoring substances, color additives, gluten, or lactose. They come in the four following delicious flavors: peach, mango/apple, apple, and pear.

Kryzpo presents a new image and launches a Merkén-flavored product

Tresmontes Lucchetti continues innovating to bring the best of their products to the consumers. This time, the turn is for Kryzpo. The brand modernized its image, which is now more eye-catching and tasty-looking. At the same time, they surprised with a new flavor meeting consumer trends: Merkén-flavored Kryzpo, an explosion of Chilean flavor.

Tresmontes Lucchetti

Zuko introduces its aloe product to Central America and the Dominican Republic

The release of Zuko Aloe in Central America and Dominican Republic has been a grand event for Tresmontes Lucchetti México. This is due to the fact that this is the first version of an aloe-flavored powdered drink mix in a market that is already familiar with drinks of the same flavor, albeit in a ready-to-drink presentation.

Orjas Yerba Mate tea

Tresmontes Lucchetti continues innovating with its traditional brand of tea. The new Orjas Yerba Mate tea comes in a 500-gram presentation, with a new product proposal that seeks to captivate consumers by offering good moments and the best flavor.

Retail Food Business

Corral VEK, vegetable protein hamburger

In alignment with healthy food trends in Colombia, El Corral released the new plant-based burger Corral VEK. This is due to the fact that the brand sought to have options in their portfolio for all types of consumers. El Corral's grilled VEK is an enticing and delicious recipe, with the brand's flavors and textures characteristic.

El Corral Gourmet's Special VEK and Mexican VEK.

El Corral Gourmet released its Special VEK and Mexican VEK hamburgers. The Special VEK has a touch of unique flavors and ingredients like chimichurri, onion strings, double-cream cheese, sautéed mushrooms, kale and avocado alioli. The Mexican VEK contains refried beans, suero costeño (Colombian acid single cream), pico de gallo and fried tortilla. Both are ideal options for those who prefer to consume vegetable proteins.

Retail Food Business

Leños & Carbón's grilled sandwich

Leños & Carbón ventured into the sandwich category with its new grilled sandwich. This is a product of high added and differential value, with protein options such as chicken, beef chuck, beef short or top loin, St. Louis ribs and beef loin. Additionally, the brand opened its first sandwich physical restaurant in a *food court* at the Jardín Plaza shopping mall in Cali, Colombia. Along the same line, Papa John's launched its new Papadias: half pizza, half sandwich. Three options are offered: Italian; three-cheese, ham and mushrooms; and BBQ chicken with bacon.

El Corral's salads

Considering the consumer habits and trends gravitating towards healthier options, El Corral introduced its new delicious fresh salads with more protein, new dressings and environmentally-friendly packaging. Salad lovers in Colombia will be able to choose between Mexican, classic Corral and Cobb salads.

Ice Cream Business

Drácula and its gloomy domains

The most expected release of the year came to give people the most entertaining terror. This time, Drácula brought 20 monsters that surprise people from their frightening domains. Drácula teaches us how to enjoy Halloween to the fullest in Colombia.

Crem Helado Kids

Crem Helado Kids entered the Colombian market to become part of the world of children, with surprising and fun product items that parents can trust. Crem Helado Kids products offer in ideal servings for children. They do not use artificial color additives and contain vitamin D, iron and calcium, which allow for good immune function and contribute to teeth and bone growth.

Crem Helado Gold

With a portfolio of products to share at home, Crem Helado Gold entered the Colombian market to turn the *premium* world into an entire experience of enjoyment, creaminess and flavor.

Polet's Paris bonbon

With the pickiest of eaters in mind, Polet designed the most delicious recipe, inspired by French confectionery. A layer of caramel ice cream, and another layer of ice cream with white cookie chunks divided by a layer of purple fruits. All of it with a coating of delicious Polet chocolate, and a second coating of bittersweet chocolate with almonds.

Pastas Business

Doria's wheat bran

Doria continues innovating with natural, nutritious and easy-to-eat products. They recently introduced in Colombia their new Doria wheat bran. This food is made by milling wheat, and it improves digestive function with only a spoonful, due to its high fiber content. It is rich in essential nutrients, such as iron and zinc.

Doria's ready-to-eat quinoa

To continue offering more nutrition at home as well as outside, Doria brings a solution to their consumers: ready-to-eat quinoa. This product has all the nutritional benefits of the ancestral grain, which comes fully cooked and is ready to consume warm or cold with a delicious sauce. Available in two varieties: mango, sesame, bell pepper; or mushroom-veggie mix. Made with natural ingredients and without added sugar, the new ready-to-eat quinoa includes a spoon, and the packaging can be recycled.

Preserving the planet

Ice Cream Business production plant, Armenia, Colombia.

Grupo Nutresa works on the implementation and execution of effective environmental management systems based on the continuous improvement, the prevention and control of pollution, the protection of the environment, the eco-efficiency in its supply chain aiming to preserve biodiversity, and the reduction of the environmental impact of its products throughout their life cycle. The purpose of these actions is to make a positive contribution to maintaining a harmonic relationship between profitable growth and environmental performance where eco-efficiency is one of the main decision-making criteria.

Emissions and climate change mitigation: Implementing actions focused on minimizing the emissions discharged into the atmosphere. This is done by prioritizing energy efficiency, using alternative types of energy, implementing clean technologies and efficiently using supplies in the production, distribution and logistics operations.

Adaptation to climate change: Managing the risks associated with global warming with the objective of limiting their impact, reducing the Organization's vulnerabilities and increasing its resilience with regard to climate change.

Biodiversity and ecosystemic services: Ensuring the sustainable origin of the commodities based on a model that allows keeping a balance between sustainability and productivity while maintaining the competitiveness of the sourcing processes.

Circularity: Reducing the production of waste and increasing its recovery and reutilization in both the direct operations and the value chain by extending the life cycle of the materials.

Food loss and waste: Implementing actions in both the direct operations and the value chain with the aim of reducing food loss and increasing product recovery and reutilization in order to minimize the impact on society, and reduce the pressure on natural resources, as well as on the waste disposal systems.

Water resource management: Minimizing the direct and indirect impact on the water resources throughout the value chain, and mitigating the risks related to shortage or deterioration situations regarding the quality of the resources.

Emissions, mitigation of and adaptation to climate change

Implementing actions focused on minimizing the emissions discharged into the atmosphere. This is done by prioritizing energy efficiency, using alternative types of energy, implementing clean technologies and efficiently using supplies in the production, distribution and logistics operations.

Novaventa forest in El Carmen de Viboral, Colombia.

Management approach [GRI 3-3]	Progress achieved in 2021 [GRI 3-3]
Optimizing water consumption.	• Formulation of work plans for 16 commodities, including the measurement of the carbon footprint and the identification and adoption of leading regenerative practices.
Achieving sustainable operations and logistics.	• 7,49% reduction in the emission of greenhouse gases (GHG), scope 1 and 2, with regard to 2020 in the industrial operations across all geographies. • 5,52% reduction in the usage of non-renewable energy in relation to 2020 in the industrial operations across all geographies. • 86% of the electrical energy is supplied by certified renewable sources. • Solar power generation increased by 14% in relation to 2020, with 2.791.362 kWh of photovoltaic solar energy generated by the Biscuits Business (22,3%), the Chocolates Business (77,1%) and the Coffee Business (0,6%). • 1,03% of the total electric power consumed was drawn from photovoltaic sources.
Innovating in terms of carbon-efficient products, services and experiences.	• The Organization offset 22.622 tons of CO2 eq. corresponding to the carbon footprints of the brands Tosh, Livean, Zuko and Evok through projects carried out in Colombia, Costa Rica and Chile. • Acknowledgment awarded to Tosh and Cordillera by the United Nations Environment Programme (UNEP), and inclusion in the One Planet Network platform along with the most important sustainability cases from around the world.
Making responsible investments for the climate.	• Grupo Nutresa joined 'Colombia Carbono Neutral,' an initiative created by the Ministry of Environment and Sustainable Development that promotes the commitment to the carbon neutrality goal for 2050. • Implementation of the impact measurement model for at least three projects with the aim of quantifying the social cost of carbon. • Progress made in the initiative of planting one million trees: 333.520 trees planted in 2021 and 200.000 seedlings in rustification conditions for being planted in 2022 in the Colombian states of Cesar, Norte de Santander and Antioquia, with the support of 401 families. • Incorporation of the standard established by the Sustainability Accounting Standards Board (SASB) for reporting on energy, fuels, direct and indirect emissions, GHG emission reduction, ozone-depleting substances and air pollutants.
Contributing to the adaptation to climate change, risk management and culture transformation.	• Implementation of the guidelines formulated by the Task Force on Climate-related Financial Disclosures (TCFD), and definition of roles, responsibilities and structure for climate governance. • Update of the climate change policy and strategy, and identification of risks according to the Integrated Risk Management Model to assess the probability of occurrence and the consequences in relation to the EBITDA.

Risks and opportunities [GRI 3-3]

Grupo Nutresa recognizes the reality of climate change and, therefore, it has committed to leading actions throughout its value chain to reduce greenhouse gas (GHG) emissions, increase the productivity of natural resources, implement adaptation measures to climate changes and regenerate ecosystems to conserve biodiversity and inspire change towards a better world.

The physical and transitory risks of climate change can represent a threat to the fulfillment of the Organization's social, environmental and economic objectives. Thus, the implementation of a model intended to identify, assess and mitigate such risks is essential and must be incorporated in the Company's governance, as well as in the strategy and the goals that have been set.

All these variables have been addressed by incorporating the guidelines formulated by the Task Force on Climate-related Financial Disclosures (TCFD). Furthermore, Grupo Nutresa constantly assesses the externalities associated with land use, climate change and air quality in the value chain through its impact measurement model under the *true value* methodology. The purpose is to identify both the positive and negative impact associated with the intervention of the natural capital, the ecosystemic services of the soil and the purchase of certified *commodities*. The objective is also to identify the impact associated with GHG emissions and air pollutants in the chain, eco-efficiency initiatives, emission offsetting and the use of clean energies.

All these actions become an opportunity for the Organization to continue implementing programs focused on the efficient use of the resources, the transition to cleaner energies, the integration of digital tools and the development of portfolios with a lesser environmental impact guided by timely conversations with the stakeholders and the strengthening of partnerships with internal and external entities.

Outlook

Grupo Nutresa has set ambitious goals for 2030 based on the commitments established in its climate strategy, which includes climate change adaptation and mitigation actions, as well as the energy transition to cleaner and/or renewable energies.
To fulfill the goals, the Company will strengthen its methodology based on the TFCD recommendations, which includes the climate governance in the corporate governance structure, reinforcing the responsibilities at all levels of the Organization and establishing new articulated work scenarios, such as the climate change task force.

On another note, the Nutresa Energy Management Committee (abbreviated GEN in Spanish) will maintain work on fields such as:

- Management and diversification of the energy matrix with renewable energies, which already includes more than 14 initiatives and a reduction potential of more than 594 tons of CO_2 per year.
- Photovoltaic energy projects and use of biomass as renewable fuel.
- Negotiation of certified green electric power in all the geographies.
- Energy efficiency in the industrial operations, restaurants and logistics operations with more than 20 initiatives focused on optimizing the consumption in energy-intensive technologies such as compressed air, steam, refrigeration, baking, lighting and air conditioning.

Finally, Grupo Nutresa will continue devoting efforts through its responsible sourcing task force to establish the climate change adaptation and mitigation actions in the value chain and reduce the emissions of scope 3 GHG, which represent more than 90% for the Company.

Practices that stood out and acknowledgments

Increase in the usage of energy from renewable sources

Grupo Nutresa has been undertaking multiple and diverse initiatives focused on reducing its dependence on non-renewable energy sources. That is why, in 2021 jointly with the firm Celsia, the Cold Cuts Business installed 110 solar panels at its production plant in Rionegro, in the Colombian state of Antioquia, with an installed capacity of 55.870 kWh/year. Additionally, in the facilities of Compañía de Galletas Noel in Colombia, the Biscuits Business advanced in the phase 2 of the photovoltaic energy generation project, reaching an installed capacity of 720.000 kWh/year. Both initiatives contribute to the reduction in the emissions and enhance the self-supply and energy security based on clean energies with a decrease of 314 tons of CO_2 equivalent per year.

Low-emissions transport fleet

In its search for the responsible development of the logistics processes, Grupo Nutresa has expanded its transport fleet with more efficient vehicles that run on cleaner energies. In 2021, the Cold Cuts Business, Comercial Nutresa and Novaventa acquired low-emissions vehicles: two gas-powered vehicles, four hybrids and the motors of 15 vehicles were converted to natural gas operation, which is equivalent to 149 tons of CO_2eq. per year. Additionally, the Cold Cuts Business implemented the pilot of a model for the delivery of orders using electric bicycles with enough autonomy for reaching 44 clients from the traditional and modern channels in Bogotá, Colombia. The objective is to decrease the emissions associated with product transport, as well as the noise pollution. The estimated emissions reduction achieved through this initiative is 2,7 tons of CO_2eq. per year.

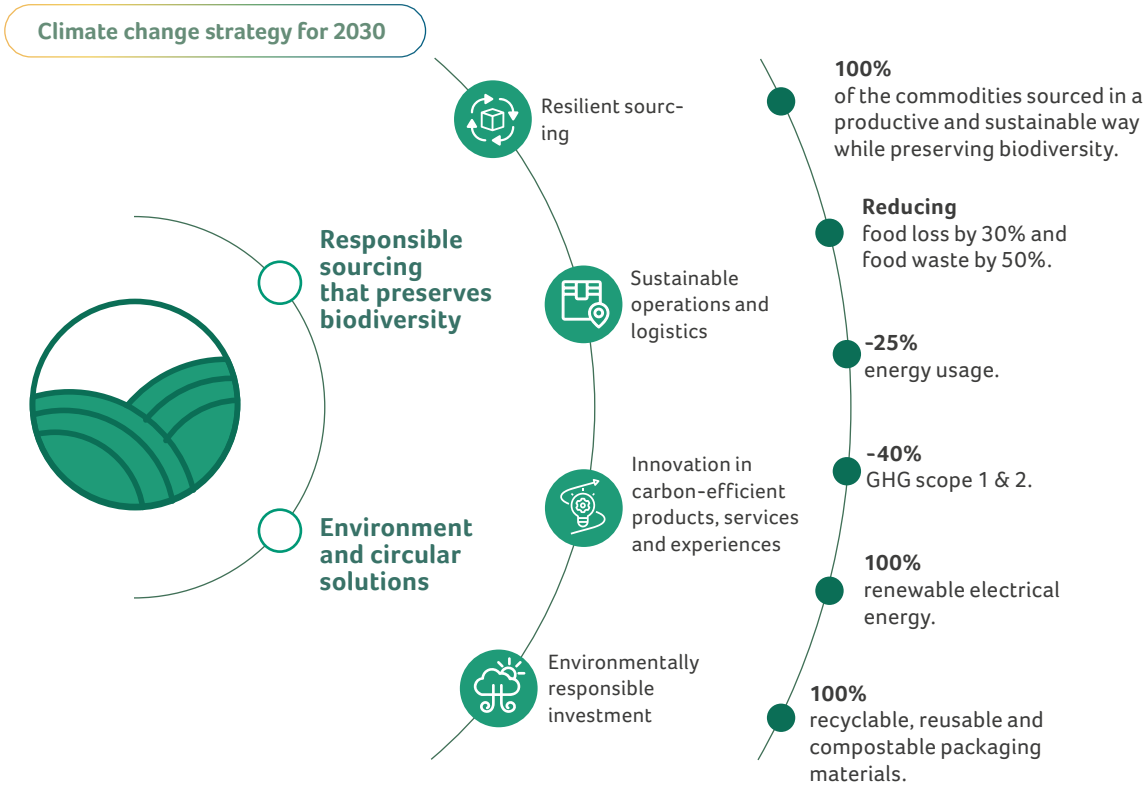
Renewable energy seal in Costa Rica, Peru and Chile

The Chocolates Business and Tresmontes Lucchetti were granted the Renewable Energy Seal for their production plants in Costa Rica and Chile. This Seal certifies that the electric power used by the facilities comes from renewable sources: hydroelectric, geothermal, biomass, wind and solar energy. In Costa Rica, the Company was able to source 98% of the total energy consumption from renewable sources and, in Peru, the rate amounted to 99,7%. With this initiative, a total of 12.155.474 kWh of renewable energy were generated.

Sustainable sourcing of cocoa in the Yariguíes plantation located in Barrancabermeja, Colombia.

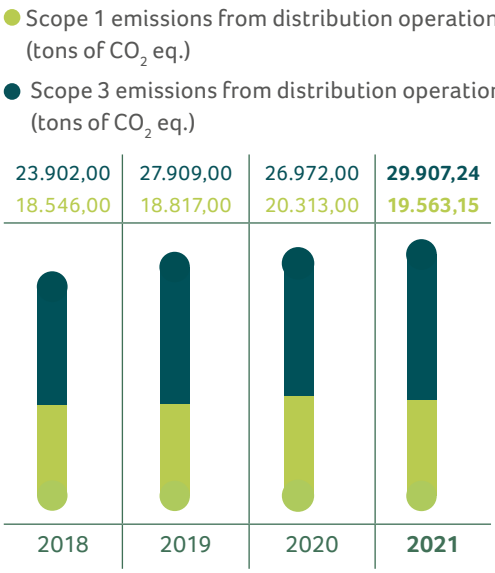
Material topic details

The adaptation to climate change and its mitigation remain to be relevant issues for the stakeholders and Grupo Nutresa. Therefore, the Company established its climate strategy for 2030 by prioritizing approaches such as resilient sourcing; sustainable operations and logistics; innovation in carbon-efficient products, services and experiences; and environmentally responsible investment. The following are the Organization's main progress achievements on each one of these work fronts:



Resilient sourcing

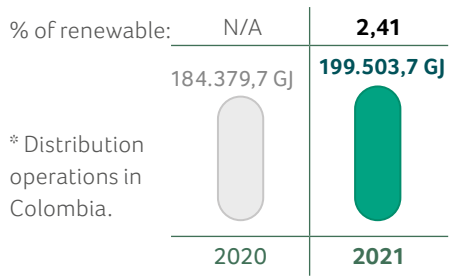
One of the goals set for 2030 is to ensure the sustainable sourcing, which includes managing the scope 3 emissions. In 2021, these emissions totaled 142.508 tons of CO_2 in the categories that were assessed, with a finished product transport share of 20,31% and 76,5% for the commodities. **[GRI 305-3]**



Sustainable operations and logistics

The reduction in the environmental impact of the operations and the logistics processes includes the transition to cleaner energies, the sourcing of renewable electric power and the decrease of refrigerant gas emissions. The following were the main actions taken by the Company throughout 2021.

External energy consumption [GRI 302-2] [FB-FR-110a.1]



* Distribution operations in Colombia.

Employees from the Pastas Business in Colombia.

Energy

The Organization makes progress in the optimization of energy consumption in all its production and support processes, as well as in the transition to renewable energy sources in all its industrial operations.

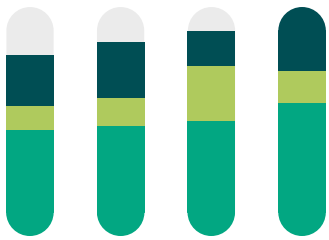
In 2021, a 3% reduction was achieved in the usage of energy from non-renewable sources (thermal energy from non-renewable sources). This result was obtained through the production growth, the continuity in the implementation of leading operational practices, the development of new projects and the technological overhaul.

Internal energy consumption [GRI 302-1] [GRI 302-3] [FB-PF-130a.1] (ODS 12.2)

Non-renewable (GWh) Renewable (GWh) Electricity consumption (GWh)

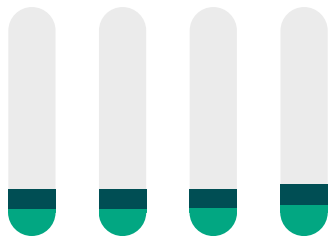
Total energy consumption (GWh) Consumption intensity (kWh / t.p.)

Colombia



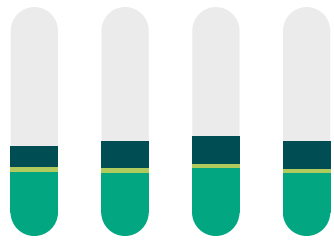
2018	2019	2020	**2021**
527,1	562,5	595,7	**666,2**
666,4	654,6	667,4	**695,5**

Peru



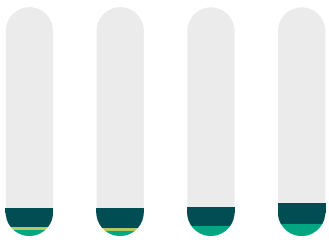
2018	2019	2020	**2021**
20,2	20,3	20,3	**22,5**
1.221,4	1.272,6	1.326,8	**1.325,0**

Costa Rica



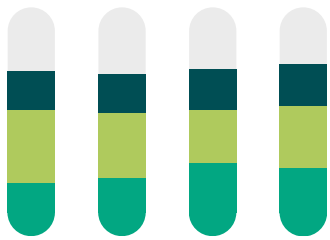
2018	2019	2020	**2021**
39,3	41,3	43,5	**41,5**
783,7	780,8	755,7	**713,7**

Mexico



2018	2019	2020	**2021**
12,2	12,4	12,8	**14,0**
430,5	445,5	473,2	**483,9**

Chile



2018	2019	2020	**2021**
129,7	127,2	130,7	**135,2**
1.354,8	1.304,3	1.359,8	**1.407,4**

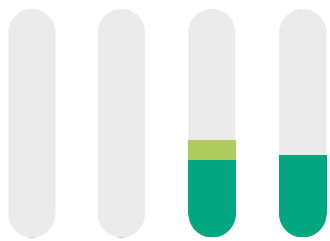
Dominican Republic

2018	2019	2020	**2021**
6,5	6,2	5,7	**7,0**
727,9	642,7	732,7	**654,9**

Panama

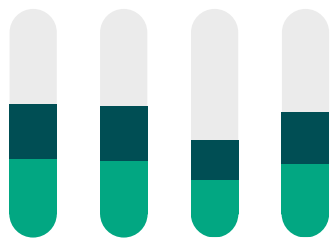
2018	2019	2020	**2021**
8,4	8,7	8,9	**8,1**
1.702,5	1.678,0	1.678,9	**1.570,3**

United States



2018	2019	2020	**2021**
-	-	42,3	**35,7**
-	-	781,6	**705,0**

Colombia- restaurants*



2018	2019	2020	**2021**
57,9	56,9	42,4	**54,6**
1,7	1,5	2,6	**2,9**

* Consumption intensity for restaurants (kWh/million main courses).

Employee from Tresmontes Lucchetti in Chile.

Use of electric power in the operations

[GRI 302-4]

In Colombia, the electric power indicator grew 2,3% in relation to 2020 due to the fact that electrical energy consumption was greater than the increase in tons produced.

In the operations across the strategic region (Chile, Costa Rica, United States, Peru and the Dominican Republic), the electrical energy consumption indicator increased 3,4% with regard to 2020.

Usage of thermal energy from non-renewable sources in the operations

[GRI 302-4]

Energy used by Grupo Nutresa's industrial plants

15,3% corresponds to energy from renewable sources.

28,7% corresponds to electrical power from the grid.

56,0% corresponds to thermal energy from non-renewable sources.

Non-renewable thermal energy

13,1% corresponds to other fossil fuels.

86,9% corresponds to the use of natural gas.

Transition to cleaner energy sources

The main objective of the energy transition is to reduce the GHG emissions. This is possible with the change in the energy generation source and the migration from the traditional use of fossil fuels to renewable fuels.

In the strategic region, fossil fuels represented 56% and their use was reduced by 2,81% with regard to 2020 due to the technological overhaul of the production processes, the broader use of electric power and the projects intended to optimize energy consumption in production processes. The following initiatives stand out:

- Progress in the sourcing of certified green energy in the Retail Food Business; successful negotiation of green energy supply for the Pops production plant and its ice cream shops.
- Deliveries without CO2 emissions in the Cold Cuts Business in Colombia through the use of biocharging devices that depend on people's motive power and also rely on solar energy. This pilot project was developed jointly with Opperar in Bogotá.
- Sourcing of 95% of the energy from certified renewable sources in the Chocolates Business in Peru.
- 25% increase in the use of biomass (coffee and tea grounds, wood chips) in Tresmontes Lucchetti thanks to operating optimizations.

Employees from the Biscuits Business in Costa Rica.

Green energy supply

Grupo Nutresa maintains its commitment to the use of electrical energy certified as zero emissions.

- In Colombia, 189,44 GWh of this type of energy were consumed, thus avoiding the emission of 38.523 tons of CO_2 eq.
- In Chile, Tresmontes Lucchetti's four production plants used 32,7 GWh of zero-emissions electric power, preventing the emission of 13.114 tons of CO_2 eq.
- In Costa Rica, 95% of the electric power consumed in the three production plants is certified energy and prevents the emission of 338 tons of CO_2 eq.
- In Peru, 95% of the electric power consumed in the production plants of the Chocolates Business is certified energy and prevents the emission of 1.031 tons of CO_2 eq.
- In the United States, 100% of the electric power consumed in the production plants of the Coffee and Biscuits Business Units is certified energy and prevents the emission of 8.581 tons of CO_2 eq.

Use of renewable energy sources

Grupo Nutresa makes progress in the fulfillment of its goal of obtaining 100% of the energy it consumes from renewable sources for 2030. To achieve this, the Organization has relied on the installation of photovoltaic solar energy, which allows generating energy on-site in a simple way and with multiple options regarding equipment suppliers and service providers. The use of biomass and solar energy represented 16,9% of the energy consumed in Mexico, Costa Rica, Panama, the Dominican Republic, Peru and Chile, and 19,9% of the energy used in Colombia.

Progress was also achieved in the Business Units:

- In the production plant of the Biscuits Business in Medellín, the Company continued working on phase 2 of the roof solar panel project installing 1.553 panels, which allow reducing the consumption of electric power from the grid by 60.000 kWh/month (720.000 kWh/year).
- The Cold Cuts Business installed in its Rionegro production plant, in the Colombian state of Antioquia, 360 m^2 of solar panels in collaboration with the firm Celsia. These panels generated more than 55.000 kWh throughout the year and prevented the emission of 22 tons of CO_2 eq.

GHG emissions

The Company continues devoting efforts for decreasing the emissions with the deployment of optimization projects in industrial processes and the incorporation of alternative and certified energies.

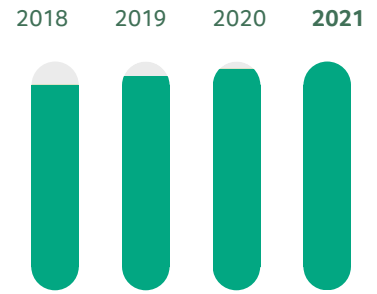
The Organization has decreased by 7,49% the scope 1 and 2 emissions, with a reduction of 4,76% for scope 1 emissions and 28,32% for scope 2 emissions. Additionally, the scope 1 emissions associated with refrigerant agent leaks dropped 20,8%. **[GRI 305-5]** **[TR-RO-110a.2]**

Scope 1 and 2 emissions [GRI 305-1] [GRI 305-2] [GRI 305-4] [FB-AG-110a.1] [TR-RO-110a.1, a.3]

Scope 1 emissions (tons of CO_2 eq.) Scope 2 emissions (tons of CO_2 eq.)

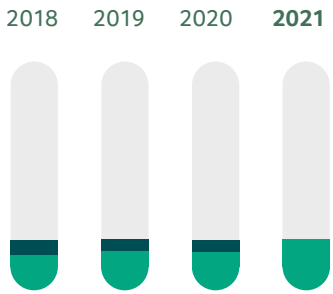
Total scope 1 and 2 emissions (tons of CO_2 eq.) Total scope 1 and 2 emissions (kg of CO_2 eq./t.p.)

Colombi- Production plants



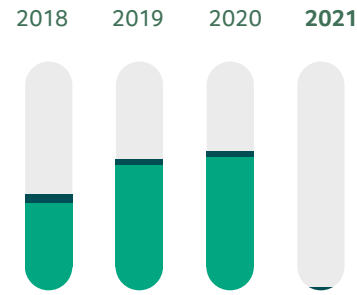
2018	2019	2020	**2021**
69.595,9	72.463,9	75.039,1	**77.505,1**
88,0	84,3	84,1	**80,9**

Peru



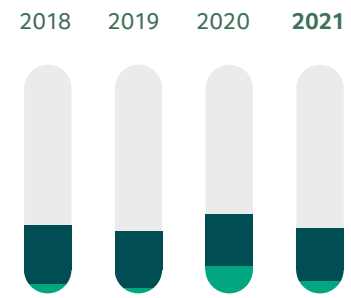
2018	2019	2020	**2021**
4.165,2	4.251,1	4.183,9	**4.281,4**
252,2	266,6	273,5	**251,6**

Costa Rica



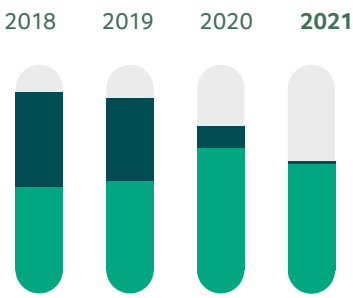
2018	2019	2020	**2021**
7.953,9	10.860,5	11.515,1	**11.283,8**
158,8	205,5	200,0	**194,0**

Mexico



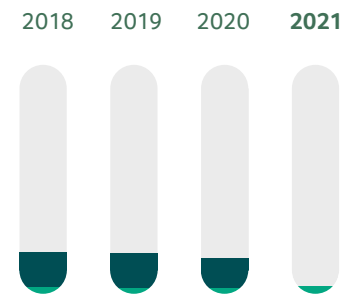
2018	2019	2020	**2021**
5.697,2	5.176,0	6.584,5	**5.462,1**
201,0	186,1	243,4	**188,3**

Chile



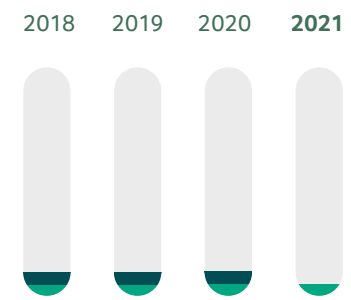
2018	2019	2020	**2021**
16.668,1	16.194,7	13.857,2	**10.984,9**
174,2	166,0	144,2	**114,4**

Dominican Republic



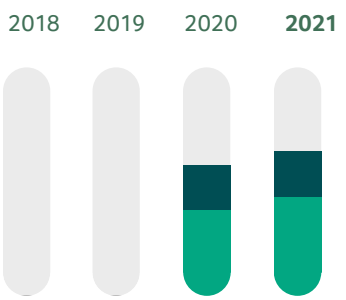
2018	2019	2020	**2021**
3.441,9	3.338,2	2.961,1	**3.583,0**
386,1	343,6	380,6	**333,6**

Panama



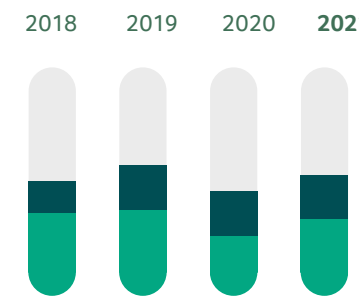
2018	2019	2020	**2021**
1.902,4	1.970,1	2.027,4	**2.027,4**
384,0	378,3	382,5	**390,9**

United States



2018	2019	2020	**2021**
		10.823,4	**11.931,6**
		199,9	**235,8**

Colombia- restaurants*



2018	2019	2020	**2021**
9.454,0	10.804,5	8.684,0	**10.002,0**
283,6	281,0	532,2	**534,4**

* Consumption intensity for restaurants (tons of CO_2 eq./million main courses).

Sustainable logistics in Comercial Nutresa in Colombia.

Pollutant emissions results [GRI 305-6] [FB-FR-110b.1, b.2, b.3].

The Organization maintained the control and monitoring of the pollutants emitted into the atmosphere, which is carried out at each one of the production plants through isokinetic monitoring systems and emission factors associated with the use of the fuels. The air pollutant emissions amounted to 41,2 tons of particulate material, 8,6 tons of SO_2, 110,5 tons of NOx, 2,3 tons of COV **[GRI 305-7] [TR-RO-120a.1]**, and the emissions of ozone-depleting substances totaled 101,6 kg of CFCs.

Net emissions reduction in tons of CO_2 eq.	2019	2020	**2021**
From scope 1 thermal energy	-	64,8	**3.535,3**
From scope 2 thermal energy	2.846,9	6.561,7	**4.207,9**

Four of Grupo Nutresa's brands have been certified as carbon neutral: Tosh, Evok, Livean and Zuko, in different geographies. In 2021, these brands offset

22.622
tons of CO_2

It is worth highlighting the acknowledgment awarded to the Coffee, Cold Cuts and Biscuits Business Units placing them among the 10 companies with the best results in the sustainable corporate mobility plans by Área Metropolitana del Valle de Aburrá in Colombia.

Innovations in carbon-efficient products, services and experiences

Four of Grupo Nutresa's brands have been certified as carbon neutral: Tosh, Evok, Livean and Zuko, in different geographies. In 2021, these brands offset 22.622 tons of CO_2 through the following projects:

- Banco 2 initiative, forest conservation in the eastern Antioquia region in Colombia.
- Bosque Vivo Osa, Fonafifo, payment methodology for environmental services in Costa Rica.
- I-REC certificates, electric power from renewable sources in Colombia.
- Project focused on the conservation of the Costa de Valdivia reserve in Chile.
- REDD+ project, Amazon rainforest in Colombia.
- Wind power portfolio in India.
- Reduction in Tosh's carbon footprint: 28,6% since 2017.

Finally, it is worth noting that the Tosh and Cordillera brands were awarded an acknowledgment by the United Nations Environment Programme (UNEP), and were included in the One Planet Network, platform that discloses the most important sustainability cases from around the world.

Further information TOSH

Further information Cordillera

Environmentally responsible investments

Since 2020, the Company incorporated the guidelines of the Task Force on Climate-Related Financial Disclosure (TCFD) and its four main components: governance definition, risk analysis, structuring of the strategic climate change route for 2030 and formulation of metrics and goals (reducing scope 3 emissions by 40% for 2030; ensuring 100% of the energy used by the Company comes from renewable sources; and 25% reduction in the non-renewable energy).

The climate change strategy also visualizes the opportunities arising from the energy efficiency and transition, innovation in carbon-efficient products and services, as well as the environmentally responsible investment.

In 2021 in Colombia, the Organization participated in the 'Colombia Carbono Neutral' program and in the initiative deployed by the National Planning Department (abbreviated DNP in Spanish) and the Climate Risk Management Action Fund. This initiative comprised two case studies, which are available at

Further information

As well as the diagnosis for the voluntary agreements in Colombia

Further information

Biodiversity and ecosystemic services

Ensuring the sustainable origin of the commodities based on a model that allows keeping a balance between sustainability and productivity while maintaining the competitiveness of the sourcing processes.

Naturela's production plant in Cumaral, Colombia.

Management approach [GRI 3-3]	Progress achieved in 2021 [GRI 3-3]
Optimizing water consumption.	• Formulation of work plans for 16 commodities, including the measurement of the carbon footprint and the identification and adoption of leading regenerative practices.
Formulating the work plans and the actions to avoid and minimize the impact on biodiversity.	• Formulation of work plans for the 16 most relevant commodities. • 35 biodiversity initiatives.
Implementing initiatives to promote the sustainable use and the regeneration of biodiversity.	• Six product categories of the Kibo brand and Naturela's portfolio focused on the use of ancient and non-conventional ingredients. • 31,9% progress regarding the goal of planting one million trees, equivalent to 319.000 trees planted and the preservation of the native forest in Colombia. • 4.279,5 hectares of tropical dry forest were intervened through the 'Cacao Cesar' project in Colombia.
Developing partnerships focused on preserving biodiversity in the value chain.	• 69 sustainable actions identified for the preservation of biodiversity in the dairy production chain as of the closing of the project developed jointly with the World Wildlife Fund (WWF). • Launch of the special edition of the Matiz coffee brand called 'Oso de Anteojos' (Andean bear), which is produced by families from the Colombian state of Valle del Cauca who allocated part of their land to the conservation of this species.

31,9%

progress achieved regarding the goal of planting one million trees, equivalent to 319.000 trees planted that contribute to the preservation of the native forest in Colombia.

Risks and opportunities [GRI 3-3]

Biodiversity, understood as the variability of all kinds of living organisms, plays a significantly important role in the functioning of the ecosystems and in the services they provide to the food industry, such as the supply of raw materials, the regulation of nutrients and other services for the agricultural and livestock production.

Since the green revolution, which took place between 1960 and 1980, the use of agrochemicals and the focus on monoculture have increased the availability of food; however, these practices have also caused an imbalance in the natural cycles of the ecosystems, significantly affecting them in an adverse way (the pollinator population, for example), which constitutes a growing risk for agricultural productivity over the coming decades.

The concentration of the agri-food system on just a few types of crops or plantations reduces the resilience. Today, 66% of the human diet depends on nine plants. This challenge opens a window of opportunities for the food industry to explore diversification with ingredients that promote biodiversity, reduce both vulnerability and dependence, and offer functional benefits and new flavors that satisfy the consumers' expectations.

On another note, deforestation, which is mainly caused by the expansion of the farming boundaries, is one of the main drivers of the loss of species of fauna and flora, along with the fishing overexploitation, which has generated significant declines in the resources provided by the sea. That is why it is highly important to ensure the traceability and sustainable origin of the commodities based on a model that allows keeping a balance between sustainability and productivity while maintaining the competitiveness of the sourcing processes.

Outlook

As part of its goals for 2030, Grupo Nutresa will focus its biodiversity-related work on the execution of actions that help preventing and minimizing its negative impact, as well as preserving and regenerating biological diversity along the value chain, either directly or indirectly, with partners and third parties, in a consistent manner with its Corporate Biodiversity Policy.

The Organization will start executing the sustainable and competitive sourcing work plans, which constitute a fundamental part of the roadmap for 2030, of Grupo Nutresa's main 16 commodities: beef, pork, chicken, coffee, cocoa, wheat, sugar, milk, oilseeds, fishing resources, fruits and vegetables, nuts, eggs, tea, potatoes and potato flour, and concentrates. Each one of these will be differentiated according to the nature of their risks, impact and opportunities.

Finally, the actions in the medium term will be focused on the following fronts:

- Deeper understanding of the value chain, connection with the origin, traceability and promotion of leading practices for the integrated development of the chain.
- Regenerative agriculture and livestock farming projects, both independent and collaborative with allied suppliers.
- Development of partnerships that leverage resources, efforts and knowledge based on common objectives to produce a net-zero impact on biodiversity.
- Design of products focused on the use of ingredients that are sustainable regarding biodiversity: non-timber resources of the forest, unconventional agricultural raw materials and access to sustainable marine and fishing resources.
- Restoration of ecosystems, protection of forests and reforestation through the projects run by Grupo Nutresa, its Business Units or its brands.

Practices that stood out and acknowledgments

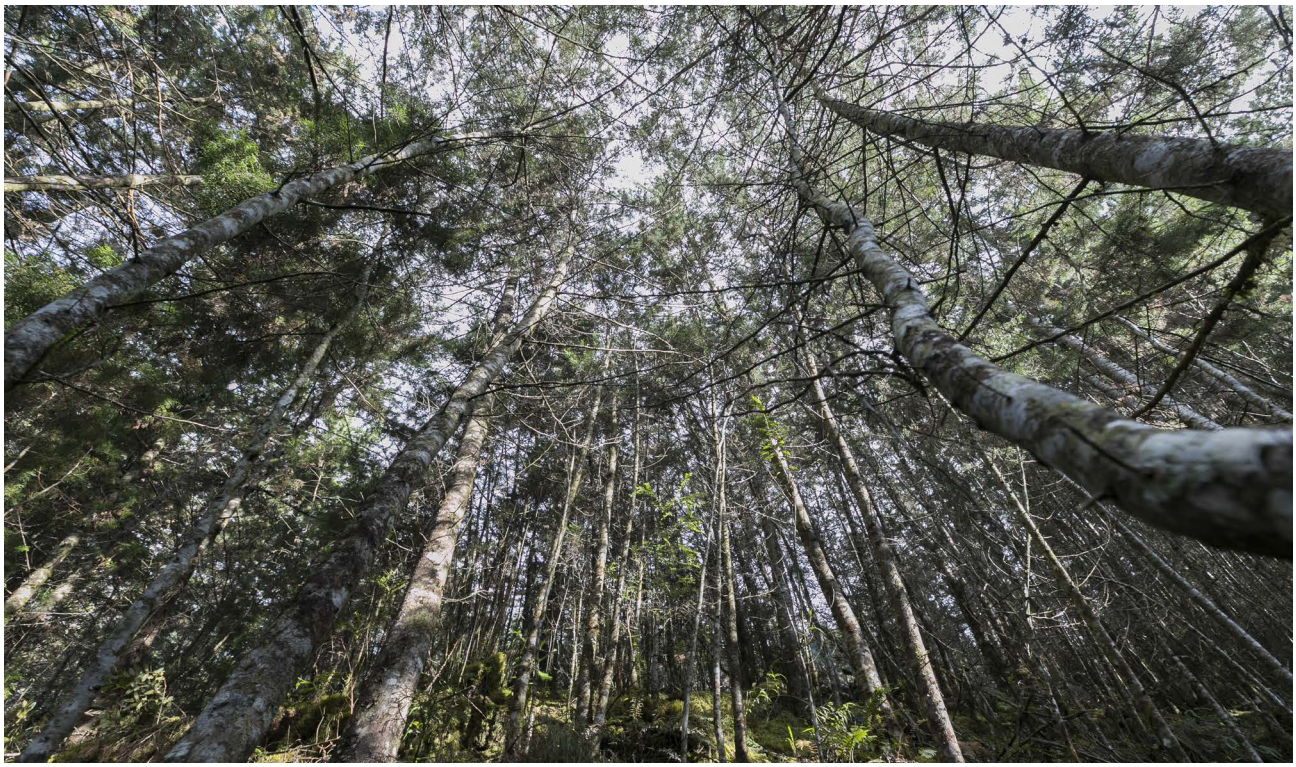
Launch of the 'Oso de Anteojos' (Andean bear) Matiz coffee [GRI 304-4]

The Andean bear or spectacled bear (Tremarctos ornatus) is a species categorized as vulnerable by the International Union for Conservation of Nature (IUCN). The absence of information and the lack of a unified and standardized strategy have been obstacles for its protection.

Through its Coffee Business Unit, Grupo Nutresa participates in the public-private partnership for the conservation of this species. The partnership studies the interaction dynamics of the bear with rural communities, the implementation of actions intended to preserve natural habitats, and the improvement of the production activities carried out by rural communities, which include land used for growing coffee.

This initiative represented an opportunity to favor the involvement of the brands which, with the launch of the special edition of the 'Oso de Anteojos' (Andean bear) Matiz coffee in the municipalities of El Águila —state of Valle del Cauca— and El Tambo —state of Cauca— in Colombia, achieved positive interventions in the conservation processes focused on preserving the bear populations and improving the rural communities that coexist with this species.

Practices that stood out and acknowledgments



Planting one million trees [GRI 304-3]

In 2020, Grupo Nutresa started the process of planting one million trees within the framework of its strategies centered on the conservation of water and the adaptation to climate change in areas of transition into the paramo ecosystem. This tree-planting initiative, organized jointly with the Más Bosques Corporation, has allowed improving the quality of life in rural areas and generating income for approximately 401 families that are in charge of the collection and rustification of native tree seeds, as well as the sowing and maintenance of planted trees in the Colombian states of Antioquia, Norte de Santander and Cesar. In 2021, the initiative reached an approximate total of 319.000 trees planted and the rustification of more than 120.000 seedlings that will be planted in the first quarter of 2022.

Offsetting emissions through restoration, protection and reforestation projects

As part of the commitment Grupo Nutresa's brands have taken on to work according to higher purposes that contribute to mitigate a global challenge, Tosh, Evok, Livean and Zuko measure, reduce and offset emissions on a yearly basis to be granted the carbon neutral seal.

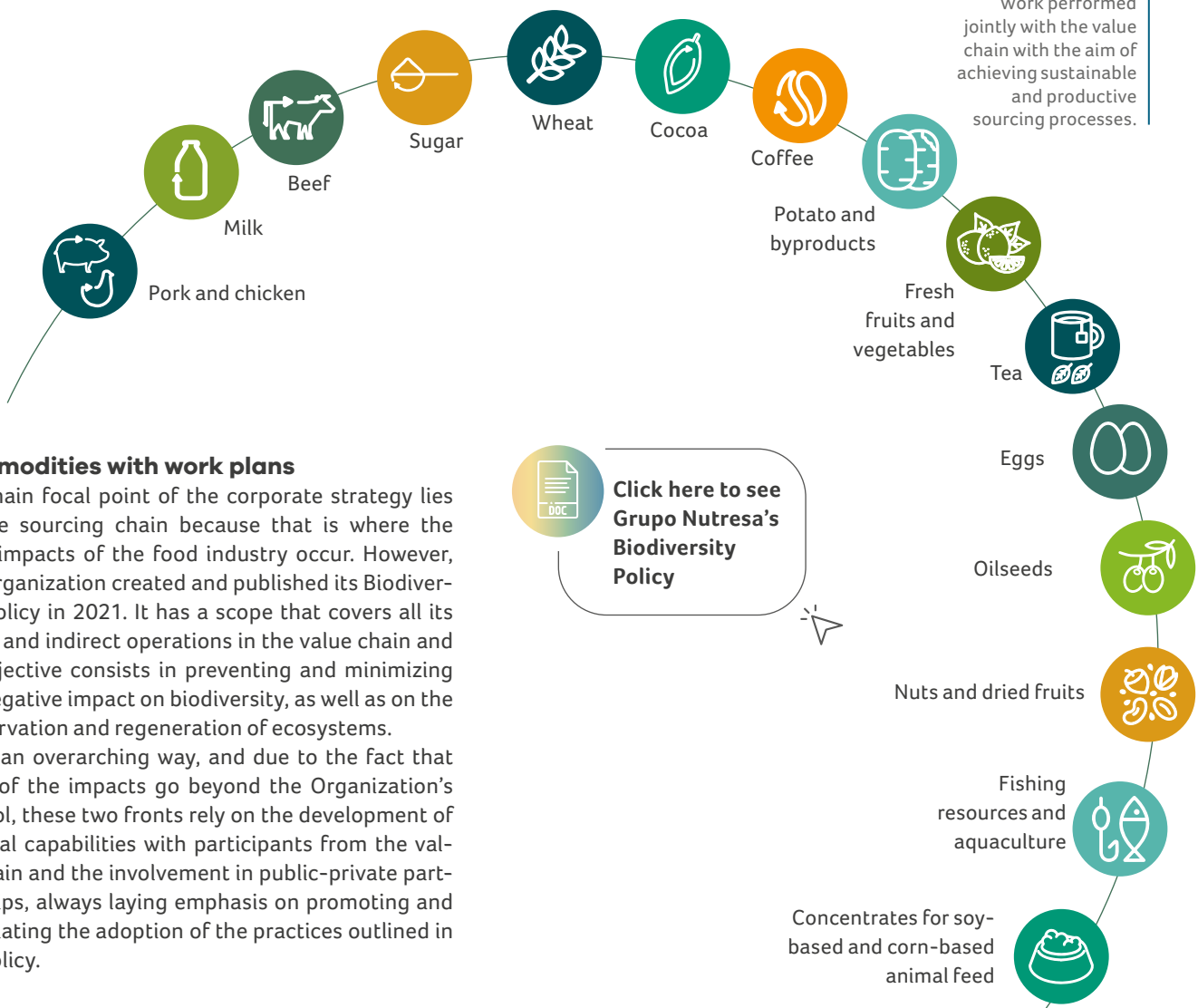
In 2021, these brands offset 22.622 tons of CO_2 eq., mostly by means of projects focused on the conservation, restoration and reforestation, such as:

- BanCO2 initiative, Forest conservation in the eastern Antioquia region in Colombia.
- Bosque Vivo Osa, Fonafifo, Payment methodology for environmental services in Costa Rica.
- I-REC certificates, Electric power from renewable sources in Colombia.
- Project focused on the conservation of the Costa de Valdivia reserve in Chile.
- REDD+ Project in the Colombian Amazon rainforest.
- Wind power portfolio in India.

Material topic details

Grupo Nutresa has set a goal for 2030 that consists in ensuring that 100% of the commodities used by the Organization are supplied in a productive and sustainable way, thus successfully conserving biodiversity. This goal draws a long-term operation horizon that will materialize with the implementation of 16 work plans formulated for the same number of commodities that represent more than 80% of the Company's volume of purchases.

Work performed jointly with the value chain with the aim of achieving sustainable and productive sourcing processes.



Commodities with work plans

The main focal point of the corporate strategy lies on the sourcing chain because that is where the main impacts of the food industry occur. However, the Organization created and published its Biodiversity Policy in 2021. It has a scope that covers all its direct and indirect operations in the value chain and its objective consists in preventing and minimizing the negative impact on biodiversity, as well as on the conservation and regeneration of ecosystems.

In an overarching way, and due to the fact that most of the impacts go beyond the Organization's control, these two fronts rely on the development of internal capabilities with participants from the value chain and the involvement in public-private partnerships, always laying emphasis on promoting and stimulating the adoption of the practices outlined in the Policy.

Click here to see Grupo Nutresa's Biodiversity Policy

Support provided to honey suppliers in the Colombian state of Antioquia.

Analysis of potential impacts on biodiversity

[GRI 304-1], [GRI 304-2], [GRI 304-4]

Since 2015, Grupo Nutresa has been working with the WWF on the in-depth analysis of the farming chains related to palm oil, and both meat and dairy livestock farming. The selection of these chains is based on the potential impacts on biodiversity, the ecosystems and all other environmental and social issues.

The analysis of the chains included an assessment of the environmental, biodiversity-related, social and governance-related risks, as well as the creation of an action map for their transformation. As a result of this work, in 2021, Grupo Nutresa developed the guides of leading agricultural and livestock practices for the beef and dairy chains, and drew up recommendations for the incorporation of these capabilities among the Company's partners. The guides also include recommendations and guidelines for avoiding the degradation of the ecosystems caused by changes in the use of soil, and offer suggestions on the adequate use of agrochemicals in such a way the potential adverse impact on pollinators is reduced, as well as the imbalance in the nutrient cycles.

In 2021, the Company conducted an analysis focused on determining the presence of directly controlled operation centers that could be located near high-conservation-value areas (category UICN I-IV). The outcome of the analysis showed that, to date, none of the operation centers in all the geographies where Grupo Nutresa has presence are located in areas with such classification. The analysis will continue to be broadened over the coming years in order to perform the corresponding assessment in areas of production processes focused on cattle and swine integration.

Products and ingredients that improve biodiversity

Since 2015, Grupo Nutresa has been working on a project intended to promote the research and development of new products, services and experiences to rescue the use of ancestral alternative ingredients broadly excluded from the food chains. Within the framework of this initiative, the Organization identified around 350 ingredients with potential to be used, 50 of which were fully described and 25 were prioritized for their incorporation in products.

The Kibo brand, which has a strong presence in the United States, Colombia and Central America, offers a portfolio of products with ingredients such as green peas, lentils and chickpeas. These ingredients constitute an alternative to the consumption of corn, wheat and rice, which are regularly used in the production of pasta and *snack* products.

The following are other Grupo Nutresa brands that make a sustainable and diversified use of ingredients:

- Naturela, with ingredients such as turmeric, *spirulina* and moringa.
- Doria and its different items made with quinoa.
- Evok, with the commercialization, at its points of sale, of natural bee honey produced by small Colombian farmers.

Partnerships that preserve biodiversity

Cocoa, Forests and Peace

The Chocolates Business in Colombia is one of the signatories of the 'Cocoa, Forests and Peace' agreement, an initiative intended to promote zero-deforestation production models that favor the protection and restoration of forests in the cocoa value chain, work on the development of sustainable production and livelihood models for the farmers, and generate social inclusion options, mostly in areas of critical importance regarding the Colombian post-conflict process.

Cocoa Cesar Project in Colombia

In Colombia, Fundación Nutresa supported the Chocolates Business in the development of the initiative titled "Comprehensive strengthening of the productive linkage of cocoa with a vision focused on the conservation of the tropical dry forest ecosystem in the Colombian state of Cesar," which has an impact on three municipalities and benefits 115 families that are part of small farmer associations.

With this initiative, the Organization was able to intervene more than 4.279 hectares (10.573,64 acres) through the participative property tax planning, the evaluation of sustainability indicators and the execution of actions to promote the cocoa production chain, thus linking the restoration, conservation and connectivity of the dry forest with an agro-ecological vision regarding production.

In addition, the Company delivered 22.900 units of coca plant material for the rehabilitation or expansion of plantations and 78.375 trees for the reforestation, vegetative restocking and restoration of zones degraded by erosion or water resource protection zones. Furthermore, Grupo Nutresa carried out training and capability-building activities regarding subjects such as soil management, rehabilitation and conservation, functional biodiversity, efficient water resource management and climate change mitigation and adaptation. The tropical dry forest is an ecosystem with more than 97% of its current coverage around the world in danger of extinction, and only 8% in Colombia. That is why this project is significantly important for the conservation of a key ecosystem for planet Earth. **[GRI 304-3]**

Cocoa farmer in the Colombian state of Cesar.

Circularity

Reducing the production of waste and increasing its recovery and reutilization in both the direct operations and the value chain by extending the life cycle of the materials.

"Nutresa Retoma" (Retake) Program executed with the collaboration of Comercial Nutresa shopkeepers.

Management approach [GRI 3-3]	Progress achieved in 2021 [GRI 3-3]
Increasing the use of recyclable, reusable or compostable materials.	• From the total weight of the packaging solutions, 85,7% is manufactured using recyclable, reusable or compostable materials.
Strengthening the initiatives focused on the eco-design of wrappers and packaging.	• Reduction of 200 tons in the usage of packaging materials under the *design-to-value* (DTV) methodology, for a total accrued reduction of 3.016 tons since its implementation in 2013.
Designing and implementing initiatives focused on closing the cycle of post-consumption plastic materials.	• 43 tons of plastic packaging materials were collected through the "Nutresa Retoma" (Retake) Program, the Organization's own reverse logistics model for recovering post-consumption flexible plastics from the market in five Colombian cities.
Reducing the waste produced in Grupo Nutresa's operations.	• 24,3% reduction in the production of the waste that is disposed of into the environment per ton produced with regard to 2020 in the Company's industrial operations.
Increasing the percentage of waste produced that is recovered and reused.	• 92% of the waste is recovered and reused in the industrial operations.
Implementing packaging reutilization models.	• 128-ton decrease in the usage of cardboard throughout the year thanks to the implementation of a corrugated cardboard boxes reutilization model in the products of the Chocolates and Biscuits Business Units commercialized by Novaventa.

Employee from the Cold Cuts Business in Colombia.

Risks and opportunities [GRI 3-3]

Grupo Nutresa is aware of the risks that deficient waste management strategies can entail for the planet and people in the countries where the Organization operates, and how important it is to implement circular economy models that guarantee their adequate management throughout the life cycle.

This environmental and consumption sensitivity has permeated the companies and the stakeholders who, as the response to a stronger social pressure, have striven to mobilize the governmental bodies to establish new regulations for the use and final disposal of waste.

This reality is an opportunity to find different strategies that contribute to the construction and implementation of circular alternatives, and that provide tools to consumers and all other stakeholders to strengthen a sustainable culture in the proper sorting of waste at the source. These actions will increase waste recovery and reuse rates in the countries where the Company operates, which currently present low levels of reutilization.

Finally, the use and exploration of new technologies still represent major opportunities for the Organization as they allow making the solutions more efficient, from the information management and the traceability to the collection and final disposal of the materials, in order to produce a deeper impact and broader scope.

Outlook

The Organization makes progress in the fulfillment of its commitment for 2030 that consists in having 100% of the packaging materials of its brands designed to be recyclable, reusable or compostable, and in achieving the goal of zero industrial waste disposed of into the environment. Therefore, the Company has created a team of packaging specialists with the purpose of working on the formulation of strategies and actions regarding the circularity of the packaging materials.

Grupo Nutresa intends to keep permeating in an overarching manner all the companies through workstreams focused on the exploration and analysis of new recyclable, reusable or compostable packaging solution structures for the multiple product categories, the implementation of eco-design initiatives, the life cycle analysis and the exploration and implementation of cycle-closing solutions. With these actions, the Organization expects to achieve, in the short term, the incorporation of the necessary capabilities, both internally and externally, that facilitate the transition to the circular economy and the comprehensive waste management.

On another action front, Grupo Nutresa will continue strengthening the partnerships in order to boost the packaging materials recovery and reuse chains in corporate collective organizations such as Vision 3030 of the National Business Association of Colombia (ANDI) and Chile's GRANSIC de AB.

Finally, the Organization has committed to dispose zero waste of into the environment. To fulfill this commitment, the Company has set to overcome several challenges, such as: continue working on the characterization and identification of the variety of waste by process, and fostering new networks focused on recovering and reusing waste across all geographies.

Practices that stood out and acknowledgments

"Nutresa Retoma" (Retake) Program

Corporate program focused on closing the cycle of post-consumption flexible plastic packaging materials, thus contributing to the strengthening of the recycling and cycle-closing culture. This initiative has entailed the establishment of more than 500 stockpiling spots in five Colombian cities and facilitates the collection process for employees, clients and consumers through multiple mechanisms such as stockpiling spots in the facilities and the collection at clients' locations carried out by Comercial Nutresa and the Novaventa entrepreneurs in Medellín and Cali.

Thanks to this program and the joint work with its stakeholders, the Company was able to collect and transform 43 tons of post-consumption flexible plastic material in 2021, which were converted into two playgrounds for the benefit of 1.110 children from educational institutions in Medellín.

The program includes a georeferencing system and educational activities with the aim of facilitating the delivery of the materials available here.

Eco-packaging manufactured with coffee husk

The Coffee Business jointly with the Medellín Metropolitan Technology Institute (also known as ITM) secured the patent in Colombia and the registration in the United States of a packaging material manufactured with coffee husk and other vegetable fibers. This packaging solution is both biodegradable and compostable, and can be used for making cups, trays, cutlery, plates and other elements with the purpose of replacing single-use plastics. In 2021, satisfactory results were obtained in the pilot tests and the project moved on to the final stage of assembling the equipment for the production of coffee cellulose. With this initiative, the Company expects to achieve the re-purposing of 200.000 tons of coffee husk in Colombia.

Composting of ashes produced by Tresmontes Lucchetti in Chile

On a monthly basis, the production plants in Santiago and Casablanca generated approximately 12 tons of ashes as a result of the operation of the boiler. These ashes represented 65% of the total waste that was sent to the landfill as there was no alternative for re-using it. In 2021, a partnership emerged with strategic managers with the purpose of recovering and reusing the ashes as composting in a different industry, thus reducing the environmental impact of the production plants. In total, 74 tons of ashes were effectively re-purposed.

Packing process in the Coffee Business in Colombia.

Material topic details

Grupo Nutresa has been enhancing its strategy focused on managing the packaging materials and waste by establishing initiatives that contribute to the fulfillment of the corporate goals regarding process circularity.

That is why, in 2021, the Company reached 85,7% progress in the goal set at 100% for 2030 and has laid particular interest on reinforcing the development of capabilities and the culture in relation to sustainable packaging solutions among both employees and stakeholders. The following are some of the initiatives that stand out:

- Consolidation of the *packaging eco-design manual* that was implemented in 2020 and has produced positive results with the establishment of an internal culture focused on sustainable packaging solutions and the application of the eco-design simulator in the new packaging developments in all Business Units and geographies.
- Development of the Circular Economy Workshop with the objective of leveling the criteria and identifying the opportunities to implement circular solutions in the processes and Business Units. The training activity was hosted by Waste to Worth (Waste2Worth), comprised nine hours in three work cycles and included the participation of 46 suppliers from the category of packaging materials, as well as 224 Grupo Nutresa employees.

GC Foods, Colombia.

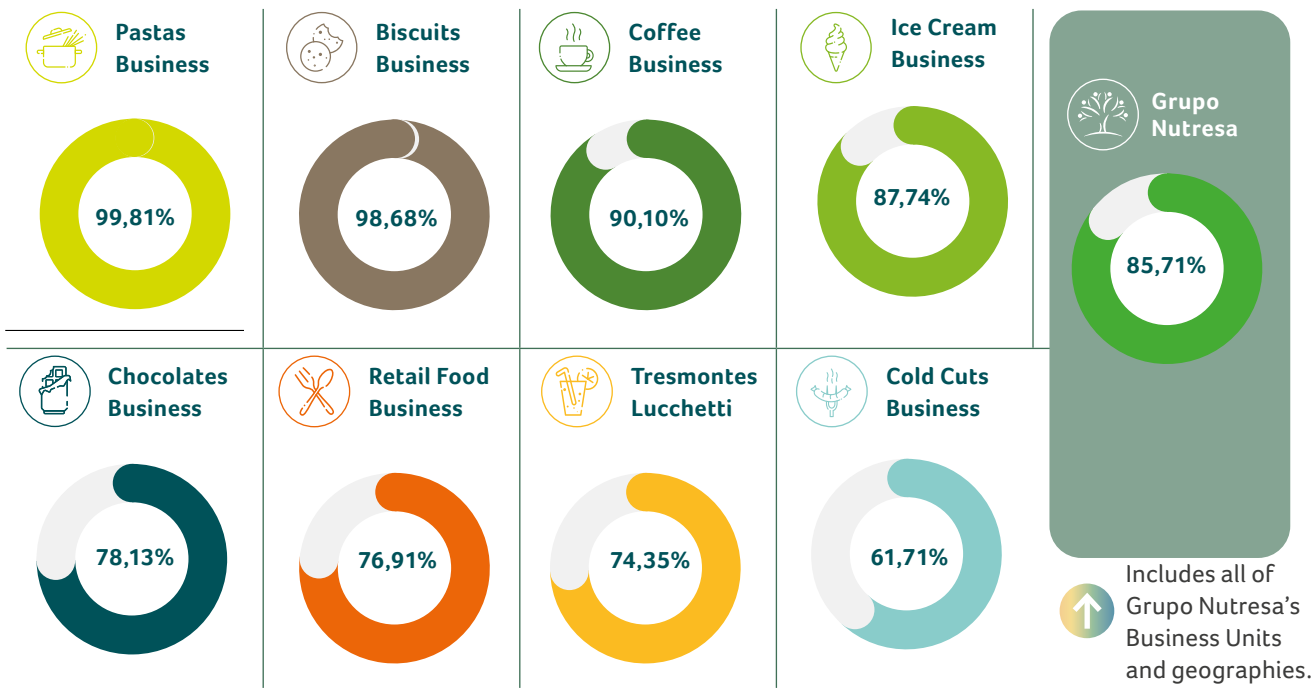
Consumption of packaging materials

[GRI 301-1] [FB-PF-410a.1] [FB-PF-410a.2]

The percentage of closed-cycle packaging materials rose to 85,7%, considering all the packaging material categories in all countries and Business Units. This increase was achieved due to the prioritization of materials with closed-cycle models and, in turn, to the design of recyclable, reusable or compostable packaging solutions. In 2021, it is worth highlighting the transition to recyclability of nine packaging structures in Chile, Colombia, Costa Rica, Mexico and the Dominican Republic.

With regard to reusable packaging materials, the Company has four models of this type: two in Colombia, in the cardboard boxes of the Chocolates and Biscuits Business Units through Novaventa, which allowed avoiding the consumption of 128 tons of cardboard; and two in the Dominican Republic, with the reuse of plastic containers and caps to avoid consuming 277 tons of rigid plastic packaging.

Share of closed-cycle materials

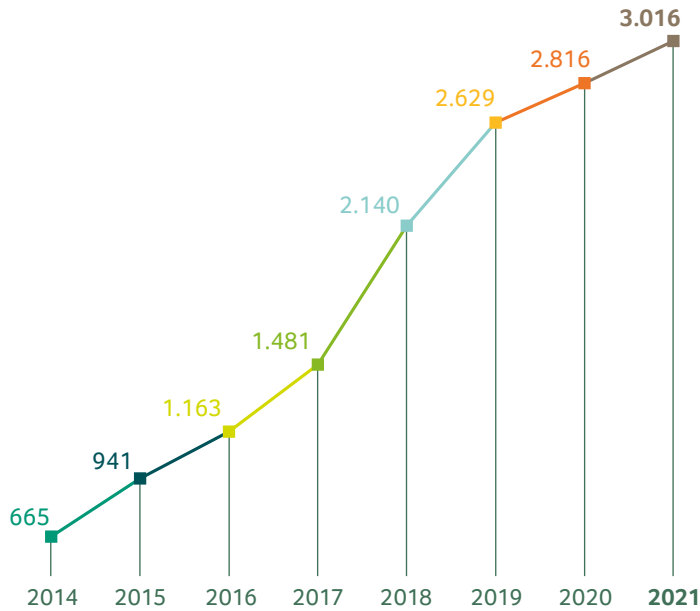


Includes all of Grupo Nutresa's Business Units and geographies.

With the implementation of the *design-to-value* (DTV) methodology, the Company was able to decrease the use of packaging materials by 200 tons in 2021, for a total accrued reduction of 3.016 tons in nine years the methodology has been in place. This decrease was possible thanks to efficient design initiatives that take into account the attributes valued by consumers, the behavior of the market in general and the context of the entire value chain.

In addition, it is worth highlighting the replacement of virgin white paper with *Kraft* paper for the boxes of the Retail Food Business in Colombia, which allowed reducing the consumption of materials by 62,6 tons. The Company implemented 20 initiatives in the category of flexible packaging materials and 11 more in the category of corrugated cardboard boxes in Chile, Colombia, Costa Rica, Panama, Peru and the Dominican Republic. These initiatives allowed achieving reductions of 42,5 tons in the consumption of plastic materials and 113,3 tons in the use of cardboard.

Reduction of packaging materials in tons



Recycled materials used

[GRI 301-2] [FB-PF-410a.1] [FB-PF-410a.2]

To enhance the circular economy processes for the packaging solutions, the Organization favors the materials that include a content of recycled raw materials in its composition. Therefore, in 2021, 74% of the cardboard, 46% of the glass and 52% of the metal packaging materials used by Grupo Nutresa in Colombia included recycled materials. In the case of cardboard boxes that do not contain recycled materials, the Company worked with suppliers that hold sustainable production certifications, such as the Seal of the Forest Stewardship Council (FSC), which is why 100% of the materials used in the cardboard boxes are recycled or have certified virgin fibers.

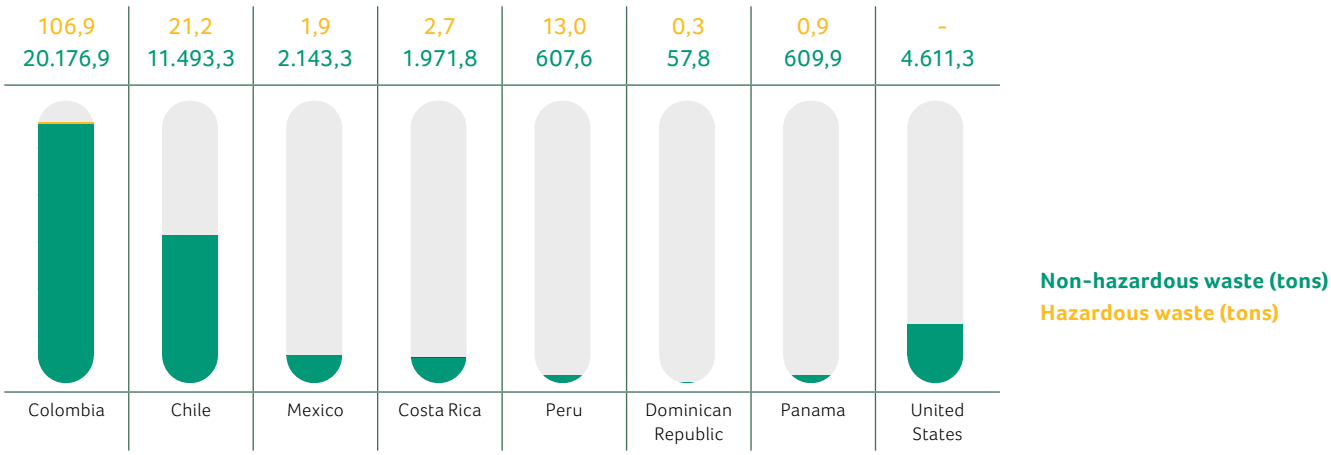
Reclaimed products and their packaging materials

[GRI 301-3] [FB-PF-410a.1] [FB-PF-410a.2]

The Organization continues working on the design and execution of initiatives focused on closing the cycle of post-industrial and post-consumption packaging materials. It is worth highlighting the initiatives deployed by the Cold Cuts Business in Colombia which, in collaboration with its strategic partners, transformed 171 tons of post-industrial flexible plastic materials from the deboning process into bags for waste management and into the high-barrier materials in the plastic crate manufacturing process. Additionally, through other post-consumption packaging projects, such as the “Nutresa Retoma” (Retake) Program, 43 tons of flexible material and 3,5 tons of Nutresa Express Pods were transformed.

For further information about Grupo Nutresa’s commitment for 2030 regarding packaging materials, please read the Sustainable Packaging Policy.

Total weight of waste [GRI 306-1] [GRI 306-2] [GRI 306-3] [GRI 306-4] [GRI 306-5] [FB-RN-150a.1]



Within the framework of the circularity strategies, the management of waste in the operations is a fundamental part of the efforts focused on reincorporating the reusable materials into the production chain.

In 2021, Grupo Nutresa reduced the waste that is sent to landfills and the security-cell waste by 24,3% in relation to 2020, which is equivalent to 3.900 tons of waste that the Company avoided disposing of into the environment. In addition, from the 49.244 tons of waste produced in the industrial operations, 92% was re-purposed or used to generate energy.

The progress achieved correspond to the implementation of re-purposing projects for multiple types of waste, as it is the case of the ashes from Tresmontes Lucchetti's boilers in Chile: the Organization avoided disposing 74 tons of waste of into the landfills. Moreover, the Biscuits and Cold Cuts Business Units, through partnerships with specialized managing firms, have utilized approximately 23 tons of hazardous waste to generate energy, thus reducing the waste disposal to security cells.

The Biscuits Business in Colombia avoided using 11 tons of cardboard thanks to the reuse of cores by means of a reverse logistics process carried out jointly with the suppliers of flexible materials. For its part, the Chocolates Business in Colombia has implemented cardboard recirculation and plastic cycle-closing strategies that have made it possible to recover more than 160.000 boxes and 72 tons of plastic. In Peru and Colombia, this Business Unit has implemented new sorting practices that have had a positive impact on waste recovery and re-purposing; thus, through a second phase of detailed sorting, this Business Unit has been able to recover approximately 80 tons of reusable waste.

Analysis of the strategies intended to decrease the environmental impact of packing materials [FB-FR-430a.4]

One of the tools for the efficient design of packaging solutions, Grupo Nutresa has at its disposal the Life Cycle Analysis Calculator (ACV). This tool measures the environmental impact that may be produced by the different types of packaging materials in for a specific product in all the stages of its life cycle, from the attainment of raw materials to the end of their service life. This tool helps to make timely decisions at the design stage regarding the type of packaging solution with the best environmental performance and to conduct an analysis of the current packaging materials with the aim of having criteria for replacing them with more efficient packaging solutions.

Grupo Nutresa's *packaging eco-design manual* is another element that contributes to the unification of criteria, the environmental impact analysis and the efficient use of resources; therefore, by performing the corresponding checks using the eco-design simulator, it is possible to identify opportunities to use packaging solutions that are more adequate for the product and have a better environmental performance.

Food loss and waste

Implementing actions in both the direct operations and the value chain with the aim of reducing food loss and increasing product recovery and reutilization in order to minimize the impact on society, and reduce the pressure on natural resources, as well as on the waste disposal systems.

Employee from the Ice Cream Business in Colombia.

Management approach [GRI 3-3]	Progress achieved in 2021 [GRI 3-3]
Obtaining the information necessary for establishing the baseline for the goal in terms of the logistics processes.	• Six training sessions carried out with the aim of achieving a deeper understanding of the context of food loss and waste and the corporate policy. • Implementation of the data collection processes in the corporate information collection system.
Implementing actions focused on reducing food loss and waste in Grupo Nutresa's companies.	• 8,9% reduction in the food loss indicator and 24,4% decrease in the food waste indicator in the strategic region (not including Tresmontes Lucchetti, Abimar and Cameron's Coffee).
Working with the sourcing chain to decrease the losses in crops, plantations and primary logistics.	• Adoption of good agricultural practices and leading raw material conditioning practices jointly with 127 cocoa farmers in Colombia and 235 wheat growers in Chile.
Optimizing the logistics processes to ensure the timely collection of the edible products that are delivered to the food banks.	• 29 food banks were provided with support in capability development processes related to food handling, as well as food quality and safety control, in addition to the delivery of 858 tons across the entire strategic region.
Identifying alternatives of use for the by-products from the production processes and increasing their reuse rate.	• Re-purposing of wheat husks and coffee silverskin in the production processes of the Coffee and Pastas Business Units.

+ 29 food

banks were provided with support in capability development processes related to food handling, as well as food quality and safety control, in addition to the delivery of 858 tons across the entire strategic region.

Delivery of products to the Cartago food bank in Colombia.

Risks and opportunities [GRI 3-3]

The reduction in food loss and waste (FLW) offers multiple opportunities to the companies and the communities with which they interact. These opportunities contribute to the improvement of food security and to the reduction in greenhouse gas (GHG) emissions, and they also help to decreasing the pressure on both water sources and biodiversity.

According to the report on the impact of FLW published by the World Wildlife Fund (WWF), more than 2.500 million tons of food are thrown away around the world each year, which is possibly equivalent to 40% of all the food that is produced. In terms of the alteration regarding climate change, the equivalence of these emissions would be the following: if FLW were a country, they would be the third largest source of GHG in the world.

In several countries from the strategic region, such as Mexico, Costa Rica, Colombia, Peru and Chile, there are regulatory projects on the way that intend to decrease FLW and create opportunities for undernourished people to gain access to nutritious and high-quality food. In addition to generating benefits for the community, the *Champions* 12.3 coalition estimates that the organizations that invest in strategies focused on reducing FLW receive the amount invested 14-fold in return as benefits. These initiatives may include the optimization of the use of both edible food and those that have traditionally been inedible in the existing products, as well as the creation of new products with a high nutritional value.

Outlook

In the short term, Grupo Nutresa will focus on the development of capabilities in its multiple Business Units and geographies. The purpose is to strengthen and internalize the culture of achieving benefits by preventing FLW supported on innovation and the development of new products. Additionally, the Organization will implement improvement actions in the processes focused on consolidating the data used to monitor the goals and report on them.

Likewise, the Company will continue implementing initiatives in the direct operations and the value chain, such as leading agricultural practices, in order to reduce food loss and increase productivity with the sourcing partners. For this purpose, Grupo Nutresa will rely on the support of Fundación Nutresa and the Business Units' farming promotion departments.

The Organization will also continue working on the development of capabilities with the food banks and contributing to the mitigation of hunger in vulnerable populations.

Practices that stood out and acknowledgments

Reduction in waste from commercial processes

The returns of damaged, expired or substandard products resulting from the logistics and business processes amounted close to 943 tons in 2016 and were equivalent to COP 10.466 million. Thanks to the work performed by Comercial Nutresa, the Company was able to adjust the business agreement processes with the clients, who went on to be co-responsible of the value of the returns in order to ensure the compliance with adequate conditions regarding product handling, stock rotation and storage. These adjustments resulted in a decrease in food waste of 449 tons and COP 4.761 million in savings. Since the beginning of the project in 2016, savings have exceeded 1.622 tons and COP 22,4 billion.

Reintegration of biscuit powder into the dough in the Biscuits Business in Costa Rica

The manufacturing processes in the cracker and cookie lines at the Pozuelo production plant were improved with the aim of recovering and reusing part of the discarded biscuit materials by incorporating them as powder in the dough of several biscuit products such as Soda, Cremas and Chiky. This process allowed reusing 25,4 tons of biscuit powder and generating more than COP 163 million in savings.

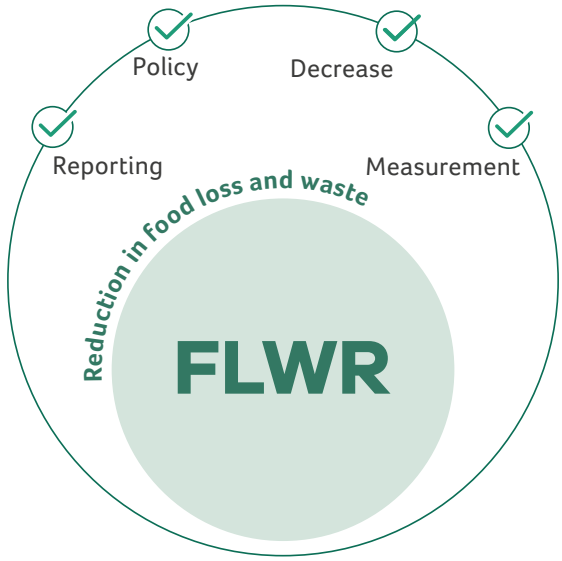
Wheat bran as food supplement

Through its “Sésamo” project, the Pastas Business intended to re-purpose and monetize the wheat bran produced as a result of the grinding process, which has been traditionally delivered to another industry for the production of animal feed. With this project, the Business created a product by improving the sensory characteristics of the bran with the purpose of enabling consumers to include it in their recipes, thus adding fiber, iron and zinc to their diet. This initiative allowed reducing food loss by 26,7 tons in 2021 and providing the market with products that contribute to healthy lifestyles.

Material topic details

Grupo Nutresa has a policy in place that guides its actions and those of all its companies regarding the reduction of food loss and waste. This policy is aligned with the objective of improving the stakeholders' food security, increasing the amount of food available for human consumption and search for alternatives for transforming components and by-products that are traditionally inedible into source of food for people.

The Organization has taken on three commitments for 2030: reducing food loss by 30% per ton produced in its industrial operations; decreasing food waste by 50% per COP million sold; and the maximum possible monetization of traditionally inedible food. To fulfill these commitments, the Company and its Business Units have made progress in the identification of food components or byproducts that are not being used in their products with the aim of proposing and executing initiatives that help to decrease food waste, in addition to monitoring the indicators that have been established.



Click here to see the Food Loss and Waste Reduction Policy

The initiatives implemented by Grupo Nutresa's Business Units allowed achieving an 8,85% reduction in food loss per ton produced and a 25,4% decrease in food waste per COP million sold (not including Tresmontes Lucchetti). The Cold Cuts, Biscuits, Coffee, Pastas and Retail Food Business Units reduced food loss by more than 797 tons, while Comercial Nutresa reduced food waste by 449 tons.

Food loss and waste by type [FB-FR-150a.1]

Type of food (tons)	Loss		Waste	
	2020	**2021**	2020	**2021**
Edible	12.481,20	**11.191,70**	3.598,40	**3.086,9**
FLW prevented	11.882,20	**11.000,90**	3.598,40	**2.566,7**
FLW discarted	599,00	**190,80**	0,00	**520,2**
Traditionally inedible	116.511,50	**104.194,90**	0	**0**

Note: The term *"edible food"* refers to the food included in the formulation of the products manufactured and commercialized by Grupo Nutresa. The term *"traditionally inedible"* refers to the food that, generally speaking, are not included in the final product; for instance: wheat husk, coffee grounds and bones.

* Not including the operations of TMLUC, Abimar and Cameron's Coffee.

Employees from the Chocolates Business in Peru.

Baseline and progress made in reducing food loss and waste [FB-FR-150a.1].

	Loss (kg/t.p.)		Waste (kg/COP million)	
	2020	**2021**	2020	**2021**
Cold Cuts Business	8,7	**8,3**	0,69	**0,56**
Biscuits Business	20,7	**19,0**	0,33	**0,46**
Chocolates Business	3,1	**3,6**	N/A	**N/A**
Coffee Business	1,9	**0,9**	N/A	**N/A**
Ice Cream Business	6,5	**7,1**	0,57	**0,47**
Pastas Business	3.0	**2,9**	N/A	**N/A**
Retail Food Business	8,2	**8,1**	0,06	**0,04**
Grupo Nutresa	10,57	**9,78**	0,51	**0,38**

The measurement exercise conducted in 20221 allowed the Organization to find out that the products that are lost or wasted the most are finished biscuits and the dough of both cookies and crackers, mushrooms, in-process meat products, cold cuts products and deli meats, milk ice cream products and pasta products. 87,6% of them are used for animal feed, 7,4% in aerobic processes and composting, and 4,8% are sent to the landfill and other disposal methods.

Some initiatives included improvement cycles in the production lines with higher food loss levels due to correction and streamlining procedures performed on the equipment and processes of the production plants of the Ice Cream Business in Bogotá and Manizales (Colombia), the Pastas Business in Mosquera (Colombia), the Chocolates Business in Rionegro (Colombia) and in Lima (Peru), the Cold Cuts Business in Medellín (Colombia), and the Biscuits Business in Costa Rica.

The Handbook of Good Agricultural Practices for managing durum wheat, which was developed in partnership with the National Agricultural and Livestock Research Institute (INIA), and the handbooks on Cocoa bean harvesting, processing and quality and Good agricultural practices in the cultivation, processing and commercialization of cocoa are available on Grupo Nutresa's websites.

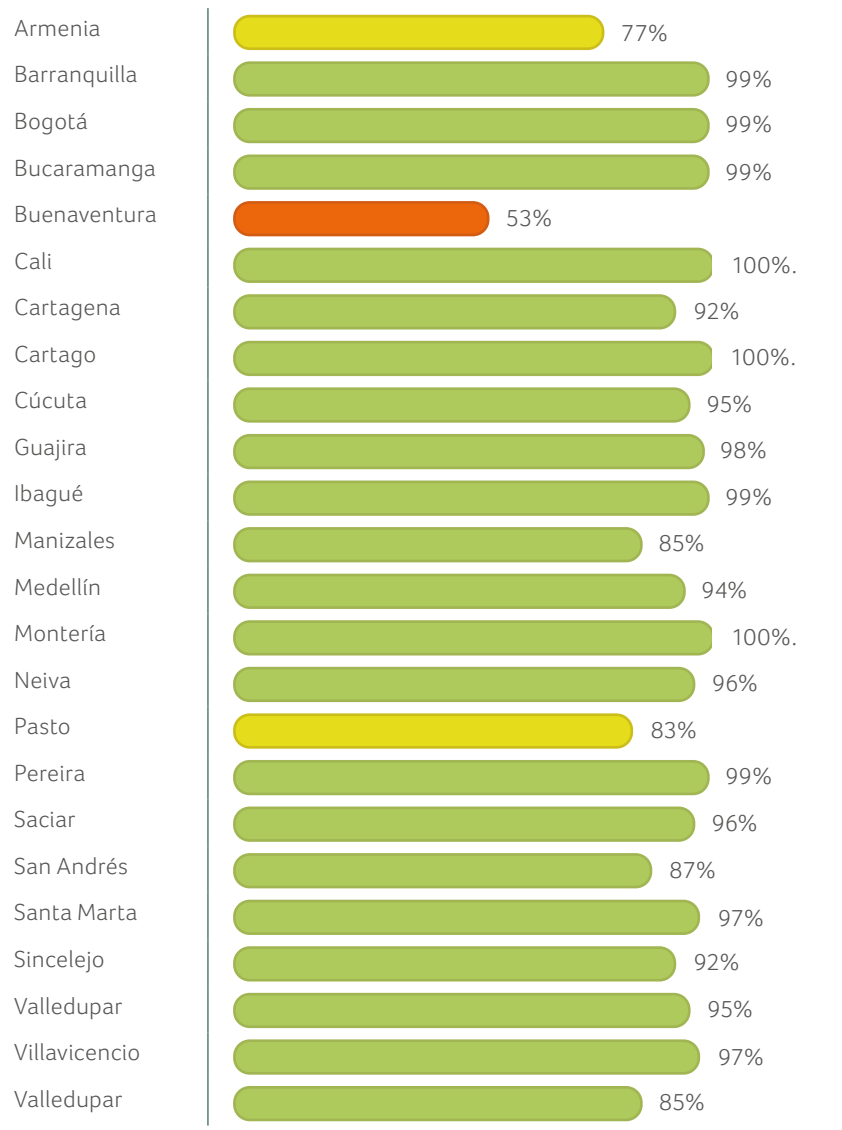
Click here to see The Handbook of Good Agricultural Practices for managing durum wheat

Click here to see the handbooks on Cocoa bean harvesting, processing and quality and Good agricultural practices in the cultivation

Food banks, partners in the work on food security

As part of the strategies focused on fighting hunger and the utilization of all food suitable for human consumption, the Organization continued collaborating with the Global Foodbanking Network and the Colombian Food Bank Association (ABACO) to achieve the professionalization of 29 food banks across the strategic region. The model intends to strengthen the food banks' internal and institutional processes: project management, financial models, protection of the environment and quality management.

Development of capabilities in Colombian food banks



Hygienic-sanitary profile (abbreviated PHS in Spanish)

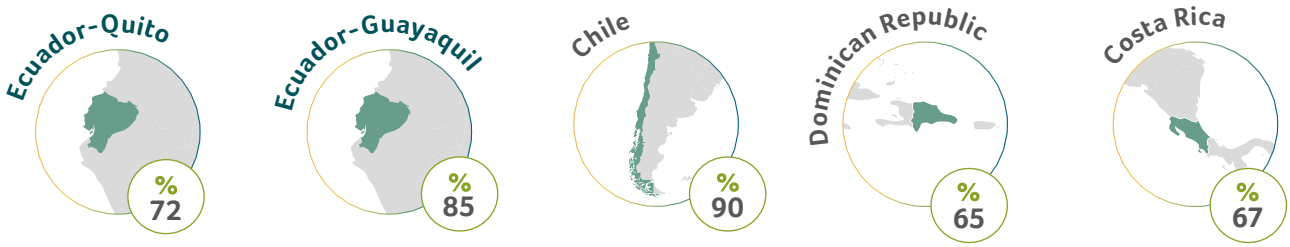
Good: from 85 to 100%
Fair: from 60 to 84%
Inadequate: from 0 to 59%

Development of capabilities:

1. Food-handling personnel
2. Hygienic requirements for manufacturing
3. Quality and safety assurance and control
4. Water quality
5. Cleaning and disinfection processes with an emphasis on the prevention of COVID-19

Food bank support activities in Costa Rica.

Development of capabilities in multiple food banks in the geographies



* For the platforms, it is expected that the food banks exceed the hygienic-sanitary profile (abbreviated PHS in Spanish) with a rating over 50%.

Delivery of products for the benefit of vulnerable communities in Chile.

858,3 tons of food were delivered to 1.138.400 beneficiaries through the food banks in Colombia, Chile, Costa Rica, the Dominican Republic and Ecuador. The actions carried out by the Organization were focused on developing capabilities regarding the hygienic handling and production of food and the adequate disposal of liquid and solid waste, thus strengthening entities and people who, with their work, contribute to reducing hunger in the strategic region.

Also in collaboration with the food banks, the Company developed capabilities related to current legal regulations for the establishments in charge of handling products in any of the food chain links. The training activities included subjects such as food handling, hygienic manufacturing requirements, quality assurance and control and food safety, water sampling, and cleaning and disinfection processes with an emphasis on COVID-19 prevention.

In addition, Grupo Nutresa's volunteer network contributed with food packages in a joint effort with the food banks in Mexico, Chile, the Dominican Republic, Costa Rica, Peru, Panama, Guatemala, Nicaragua, Ecuador and Colombia through the "Tus Pasos Contra el Hambre" (Your steps against hunger) campaign. 8.229 families benefited from this strategy with 7.941 packages delivered, and the Company also encouraged volunteering efforts with the support from 2.851 volunteers for raising awareness during the World Food Day, understanding that it is necessary to build a future with enough nutritious, safe and affordable food for everyone.

Click here to see the message of gratitude to the volunteers in the International Volunteer Day.

Delivery of food by Business [FB-FR-150a.1].

	Delivery of food to food banks (tons)		% of food recovered	
	2020	**2021**	2020	**2021**
Cold Cuts Business	77,40	**165,80**	6,98%	**6,98%**
Biscuits Business	108,81	**184,12**	4,90%	**9,60%**
Chocolates Business	0,00	**0,00**	58,90%	**-17,07%**
Coffee Business	13,80	**12,90**	-75,42%	**59,05%**
Ice Cream Business	0,19	**0,00**	-6,21%	**-5,74%**
Pastas Business	0,00	**0,00**	-17,60%	**2,71%**
Retail Food Business	9,60	**4,54**	-151,37%	**3,90%**
Comercial Nutresa	553,00	**385,70**	47,02%	**42,59%**
La Recetta	14,80	**22,20**	27,44%	**43,61%**
Novaventa	32,00	**82,76**	15,31%	**45,85%**
Grupo Nutresa	809,60	**858,03**	6,76%	**10,27%**

Employee from the Coffee Business in Colombia.

Appreciation of by-products

The edible parts that are not traditionally part of the formulation of products, as it is the case of industrial by-products such as coffee grounds, wheat bran or animal bones, contain bioactive components that can be used in human diets, in the generation of renewable energy or to raise animals. This also entails a drop in the disposal costs, as well as the economic sustainability of the industrial processes. The implementation of these initiatives has been useful in the alignment with the circular economy model, and the inclusion, strengthening and development of the employees' waste management capabilities.

Water resource management

Minimizing the direct and indirect impact on the water resources throughout the value chain, and mitigating the risks related to shortage or deterioration situations regarding the quality of the resources.

Belmira paramo in the state of Antioquia, Colombia.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Optimizing water consumption.	• Decrease in water consumption 27% in Costa Rica; 21% in the Dominican Republic; 7,8% in Mexico; and 6,95% in the United States.
Managing the water resources in the value chain.	• Development of technical advisory projects, through the Cold Cuts Business, for the San Andrés rural aqueduct management in Aguachica, and involvement in the "Agua para Todos" (Water for everyone) program in the subbasin of the Palo river, in the Colombian state of Valle del Cauca. • Publication of a guide of sustainability actions for the primary production and sustainable supply of milk within the framework of the strategy for the sustainable sourcing in collaboration of the *commodities* jointly with the World Wildlife Fund (WWF). • Continuity in the support to the Farallones coffee processing plant in the state of Antioquia, Colombia, through the Coffee Business. This processing plant has allowed saving more than 35.000 m^3 of water.
Mitigating the risk of the shortage and deterioration of the quality of the water resources.	• 45% reduction in the water withdrawal of the production plant of the Coffee Business in the United States, which is equivalent to 3.719 m^3, and a reduction of 12.396 m^3 in the production plant of the Retail Food Business in Costa Rica. • Withdrawal of 15.912 m^3 in the water recovery projects of Tresmontes Lucchetti in Chile, the Chocolates Business in Peru and the Biscuits Business in Colombia.
Reducing the impact on the water resources by means of the adequate management of water disposals.	• COP 17.373 million invested in the management and treatment of wastewater across all Business Units. **[GRI 303-2]**

Wastewater treatment plant of the Coffee Business in Colombia.

Risks and opportunities [GRI 3-3]

According to the latest report on the development of water resources around the world published by the United Nations, it is evident that there is a critical situation regarding the global use of water, which has increased six-fold since 1900 and could lead to a 40% deficit in water availability by 2030. Additionally, due to extreme phenomena caused by climate change, the experts expect an increased rainfall and extreme drought periods are expected. Such conditions will deteriorate water quality, increase the risks associated with the farming production and adversely affect the life of the vulnerable communities across the world.

Grupo Nutresa is aware of the risk water management represents; therefore, the Organization has been working jointly with its stakeholders on implementing action measures that ensure savings, stewardship and respect for water resources. The Company faces possible future challenges associated with both the sourcing and the quality of water resources, which is why it will be essential to expand the leading corporate practices to the value chain in order to ensure water supply and quality.

On another note, water shortage could entail other risks that would translate into increasing prices and more stringent and broader regulations, as well as a more intense competition among the stakeholders to gain access to water resources. This would have a significant impact on the Business Units, particularly those that operate in regions where water scarcity has already been declared.

Finally, the opportunities to achieve sustainability in the use of water are also significant and are focused on the collaborative work with strategic partners, the transfer of knowledge and the progress made in terms of solutions based on nature itself in collaboration with multiple stakeholders in the operations and the value chain.

Outlook

Grupo Nutresa has set its water consumption reduction goal at 20% in all its industrial operations for 2030 across all geographies. The Company faces the challenge of measuring and decreasing its water footprint along the entire value chain, as well as reducing the impact associated particularly with the 16 main commodities, which have been included in the responsible sourcing roadmap. A fundamental pillar of Grupo Nutresa's actions will be the reforestation of basins and the conservation of the forest with the aim of protecting the water in all the geographies where the Organization operates.

The collaborative work and the articulation with the stakeholders will enable the fulfillment of the goals set by the Company for itself, as well as the reduction in the environmental impact with regard to water resources. Finally, the implementation of initiatives, such as investment projects, reduction in the consumption of resources, water reuse and water disposal management, will allow Grupo Nutresa to generate synergies with other internal and external agents, thus creating to the possibility of replicating the experiences lived and the lessons learned.

Practices that stood out and acknowledgments

Wastewater re-purposing at the Aguachica processing plant of the Cold Cuts Business

With the aim of contributing to the mitigation of the risks related to the scarcity and quality deterioration of the water resources, the Cold Cuts Business installed a new wastewater treatment plant in the municipality of Aguachica, in the Colombian state of Cesar, which is a region that has been historically hit by water scarcity, especially in regular periods of drought. With this treatment plant, the Business intends to ensure water sustainability by decreasing the pressure on this natural resource and improving the engagement with the communities. The project was designed taking into account the future growth of the processing plant and striving to ensure a water disposal with a high level of pollutant removal. This initiative allows recirculating 70% of the water, thus reducing the processing plant's water withdrawal by 7.800 m^3 per year.

Water consumption reduction by the Retail Food Business in Costa Rica

The Business reduced water withdrawal by 13.523 m^3 per year by installing flow limiters, hydrometers, aerators and hose sprayers, as well as low-consumption toilets and faucets. These measures were supplemented with changes to the production and transport washing procedures.

Controlling the volume of water flow during the withdrawal process by the Chocolates Business in Colombia

By installing a speed shifting system in the water intake that withdraws water from the river, the Chocolates Business guaranteed that the flow volume of the water withdrawn was proportional to the water output flow volume of the drinking water treatment plant, thus preventing the waste of both water and purification supplies. With this initiative, water withdrawal was reduced by 12.000 m^3 per year, along with 344 kWh in energy savings due to the fact that the engines do not have to permanently operate at 60 Hz.

Wastewater treatment plant of the Coffee Business in Colombia.

Material topic details [GRI 3-3]

In 2021, the Organization recorded a 1,85% increase in the indicator of water consumption per ton produced. Several geographies presented significant reductions in the volumes, which adversely affected the indicator rating. The sanitization and hygiene processes have been intensified, which has caused higher consumption levels. However, Grupo Nutresa recorded reductions in several geographies: 27% in Costa Rica, 21% in the Dominican Republic, 7,8% in Mexico and 6,95% in the United States.

Moreover, it is worth highlighting multiple projects focused on water consumption savings and re-purposing throughout the industrial operations.

Thanks to its joint work with the suppliers, communities and governments, the Company has been able to safeguard the supply sources by implementing better farming practices and performing risk and opportunity assessment along several chains of the main commodities, as well as the management and stewardship of water resources in the industrial operations.

Supply sources (thousand m³) [GRI 303-3]

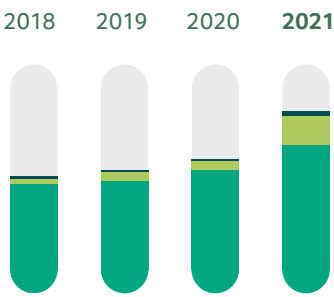
Aqueduct water (thousands of m³)			Surface water (thousands of m³)			Underground water (thousands of m³)			Rainwater (thousands of m³)		
1.231,0	1.785,0	**1.928,0**	92,6	359,3	**315,3**	22,6	408,5	**470,0**	0,040	0,022	**0,043**
2019	2020	**2021**	2019	2020	**2021**	2019	2020	**2021**	2019	2020	**2021**

Water withdrawal and consumption (thousands of m³) [GRI 303-1] [GRI 303-5][FB-PF-140a.1]

- Aqueduct water (thousands of m3)
- Surface water (thousands of m3)
- Rainwater (thousands of m3)
- Underground water (thousands of m³)

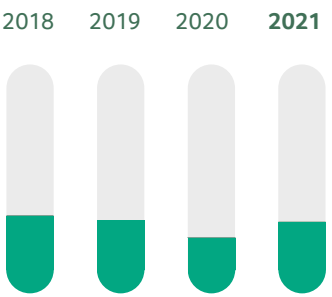
Total (thousand m³) / Consumption intensity (m³ / t.p.)

Colombia



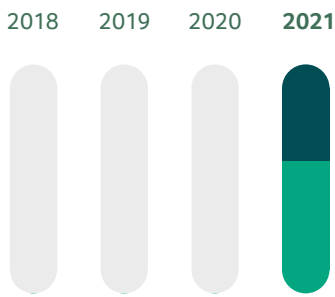
2018	2019	2020	**2021**
1.279,8	1.346,3	1.462,9	**1.988,8**
1,62	1,57	1,98	**1,99**

Peru



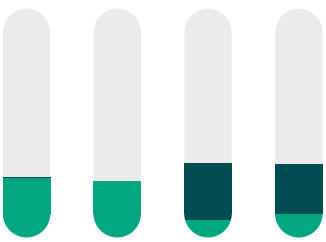
2018	2019	2020	**2021**
33,9	31,9	24,2	**31,2**
2,05	2,00	1,58	**1,83**

Costa Rica



2018	2019	2020	**2021**
44,9	96,6	80,7	**60.521,3**
0,90	1,83	1,40	**1.022,33**

Mexico

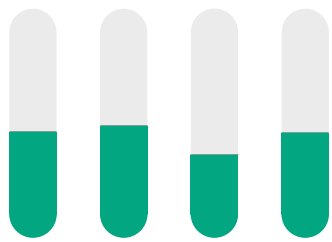


2018	2019	2020	**2021**
26,1	24,7	32,4	**32,0**
0,92	0,89	1,20	**1,10**

Chile

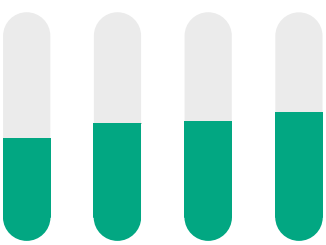
2018	2019	2020	**2021**
473,4	438,2	428,1	**474,3**
4,95	4,49	4,33	**4,75**

Dominican Republic



2018	2019	2020	**2021**
46,1	48,7	36,1	**45,7**
5,17	5,01	4,64	**3,66**

Panama

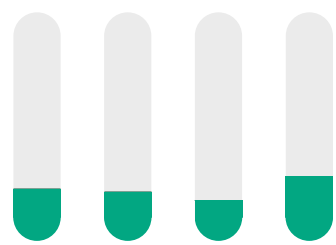


2018	2019	2020	**2021**
44,6	51,1	52,1	**56,1**
9,00	9,81	9,50	**10,49**

United States

2018	2019	2020	**2021**
		28,3	**21,6**
		0,46	**0,43**

Colombia - Restaurants



2018	2019	2020	**2021**
158,6	148,9	123,0	**195,7**
4,76	3,87	0,01	**0,01**

* Consumption intensity for restaurants (m³/million main courses).

Culture of the efficient use of water resources in Opperar Colombia.

Management of the impact related to water disposal [GRI 303-2] [FB-PF-140a.3]

Grupo Nutresa's total investment in treated waters totaled COP 17.373 million in 2021.

Over the past few years, Grupo Nutresa has been focused on ensuring the adequate quality and other technical parameters of the discharged water, complying with all legal regulations and constantly managing the process of bridging gaps in this regard. To leverage this purpose, in 2021, the Company invested COP 17.373 million with the aim of improving the quality of the wastewater of all the industrial operations in the geographies where it operates. The following are some of the actions carried out by the Business Units:

In Tresmontes Lucchetti's hot beverage production plant in Valparaíso, Chile, the Organization overhauled the wastewater treatment system to increase the decantation time. Additionally, the Business installed a parabolic filter to improve the solid material filtering process and a vibrating sifter to draw upon the water from the compressing process.

- In Medellín, Colombia, the Coffee Business increased the pumping capacity in the main unit processes (floating, cooling, decantation) and made adaptations with the aim of improving the management of insoluble solid materials. Additionally, in the Ibagué production plant, the Company invested in the overhauling of the old system, a new shifter for the decanter, a new screw pump and air conditioning for the laboratory.
- In the Chía production plant of the Retail Food Business in the Colombian state of Cundinamarca, the improvements made to the Milkylab cheese stretching machine allowed reducing the discharged chemical oxygen demand (COD) by 74% with improvements with regard to chlorides. This production plant also went from a discharge of 220 m^3 per month due to the use of the cleaning system to approximately 170 m^3 per month.
- In the Ice Cream Business production plant in Manizales, Colombia, the Organization purchased a centrifugal decanter, which represented an approximate investment of COP 224 million, and a regenerative blower for injecting air into the system with the purpose of improving the treatment plant. This Business also completed the automation of the dosing systems and the overhauling of the decanter system in its facilities in Bogotá.

Water discharge [GRI 303-4]

Sewerage system · To natural bodies of water · To man-built water bodies · Discharge to the soil · Received by third parties · **Total (thousands of m³)**

Colombia

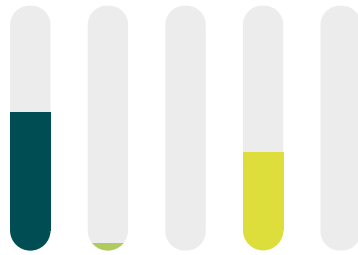
Total water discharged (thousands of m³): **1.087,8**

Peru

Total water discharged (thousands of m³): **31,2**

Costa Rica

Total water discharged (thousands of m³): **18,4**



Mexico

Total water discharged (thousands of m³): **24,5**

Chile

Total water discharged (thousands of m³): **322,5**

Dominican Republic

Total water discharged (thousands of m³): **13,3**

Panama

Total water discharged (thousands of m³): **56,1**

United States

Total water discharged (thousands of m³): **10,9**

Employee from the Cold Cuts Business in Colombia.

Regulation [GRI 303-1]

In Colombia, Resolution 1256 of November 23, 2021, regulates the reuse and recirculation of wastewater within the national territory. In this regard, the *recirculation* concept refers to the use of treated wastewater to be re-purposed in the same economic activity and as part of the corresponding unit operations and processes without the requirement of getting environmental authorization as long as it is technically and economically feasible.

In Chile, Grupo Nutresa complied with the General Water Agency's Resolution No. 564, which establishes the technical conditions and the nationwide time table for fulfilling the obligation of installing and maintaining a system for monitoring and transferring effective extractions in underground water withdrawal works, applicable in 2021 to the operations in Chile. On another note, the General Water Agency's Resolution No. 1.180 of 2020 for the Valparaíso Region regulates the holders of underground water exploitation rights with withdrawal locations in multiple Valparaíso districts. One of these districts is Casablanca, where Tresmontes Lucchetti has operations.

Water usage and conservation [GRI 303-1] [FB-PF-140a.1]

WATER SAVING PROJECTS

Within its operations, the Organization has identified the constant optimization of the consumption practices and the optimization of cleaning and disinfection processes.

In the United States, at the Cameron's Coffee production plant of the Coffee Business, the Company achieved a 45% reduction in the water consumption reduction indicator thanks to the implementation of small but important improvements, such as the optimization of the water used for irrigating green areas at the facilities. These practices allowed saving more than 4.057 m^3 of water throughout the year.

On another note, in several Colombian cities, the Company designed the strategy on dry washing inside the marketer facilities. For this initiative, Grupo Nutresa hired a certified supplier that is authorized to wash the fleet of vehicles from some of the operations using

biodegradable products and microfibers that require just 20 liters of water. This is a mixed model, that is, vehicles are dry-washed three times and undergo one more regular wash every month. Total water savings amount approximately to 2.923 m^3 per year.

Lastly, in the Rionegro production plant of the Chocolates Business in Colombia, the Organization completed improvements to the cleaning protocol: reduced the number of stages of the drying conveyor equipment and modified the amounts of water used in each one of the steps. This initiative represented savings of 461 m^3 per year.

WATER RECIRCULATION PROJECTS

In the production plants of Tresmontes Lucchetti and the Retail Food, Chocolates, Cold Cuts and Biscuits Business Units in Mexico, Peru, Costa Rica and Colombia, the Organization carried out water recirculation projects that allowed re-purposing the treated water in applications such as sanitary services, ramp washing and exterior green area irrigation. These solutions allowed saving more than 15.912 m^3 of potable water per year.

WATER RESOURCES IN THE COMMUNITIES AND IN THE VALUE CHAIN

Through the Cold Cuts Business, the Company deployed the following projects:

Technical advisory provided to the personnel that operates the rural aqueduct of Villas de San Andrés near Aguachica in Colombia; the purpose was to help them to identify the opportunities in the water treatment process.

Involvement in the "Agua para Todos" (Water for everyone) program created by the Corporation for the Sustainability of the Palo River Subbasin (Corpopalo) in the Colombian state of Valle del Cauca, which has the objective of strengthening and dynamizing water stewardship in the subbasins of the north region of the Colombian state of Cauca. Moreover, approximately COP 135 million were invested to develop a project centered on the preservation of water in the municipality of Toribío in the Colombian state of Cauca.

Through the Coffee Business, the Company continued supporting the Farallones Coffee Processing Central Plant located in the municipality of Ciudad Bolívar in the Colombian state of Antioquia. This processing plant is where the coffee beans owned by the Los Andes Coffee Grower Cooperative Organization is managed while optimizing water consumption. In 2021, 360 tons of dry parchment coffee were processed in this facilities and the estimated total savings were 35.000 m^3 of water.

In another subject, based on the *true-value* methodology and the product life cycle analysis, the Company has identified and established the actual value of the main externalities associated with the use of water resources and the eco-efficiency initiatives in the value chain. This pricing process allows raising the awareness of the employees at all levels of the Organization and creating tools and action plans focused on boosting the positive impact and reducing the negative impact.

IDENTIFICATION OF THE MAIN WATER FOOTPRINT SOURCES

Partnerships

The Company is one of the signatories of the CEO Water Mandate, a program organized by the United Nations Global Compact. In Colombia, the Organization participates in the Cuenca Verde (Green Basin) Corporation, a public-private initiative focused on safeguarding the environmental services in the supplier basins.

Moreover, the production plant of the Chocolates Business in Peru was acknowledged and certified under the Blue Certificate Program, which is organized by the National Water Authority. This initiative is intended to mitigate the hydrological risk in the country and encourages the private sector to offset the impact along the chain. This acknowledgment is highly valuable for the Organization because this region has been declared to be in hydrological risk in the global context, and because it recognizes the efforts devoted to fulfilling the objective of protecting the natural resource in this geography.

Finally, Fundación Nutresa and the Chocolates Business have worked on the natural wealth project created by the United States Agency for International Development (USAID) in the Colombian state of Cesar. Within the framework of this project, 21.305 cocoa trees and 73.400 timber trees have been donated. Additionally, agroforestry agreements have been established as forest links for the reforestation of degraded areas and other areas in basins and micro-basins located in strategic zones of four municipalities of the Perijá mountain chain in Colombia.

Inspiring development, growth and innovation

'El Súper' supermarket chain, United States.

Grupo Nutresa strives to permanently create value and distribute it among its stakeholders through relevant drivers such as an ethical and transparent corporate behavior and the Company's performance in the markets, which is supported on the development of the geographies, as well as on growth, competitiveness and digital transformation with the purpose of generating a business model that can easily adapt to the changing and challenging global business environment.

Integrity and corporate governance: Establishing a conduct framework governed by transparency, integrity and ethics by developing management, information reporting, and risk control and management policies with the objective of strengthening the Organization's trust-based relationships for the benefit of the shareholders and all other stakeholders.

Profitable growth in the markets: Profitably growing based on the construction of a category and geography portfolio that maximizes the creation of value through memorable experiences with effective commercial networks, and generates synergies that optimize the working capital.

Responsible marketing and sales: Consolidating the Company's close relationships with its consumers, shoppers, clients and customers, as well as their preference, satisfaction and loyalty by delivering differentiated value propositions that contribute to their growth, profitability and sustainability.

Economic and sociopolitical environment: Agilely managing the political and economic risks that may affect the Company's competitiveness, and contributing to the construction of societies based on a deep sense of respect, inclusion, justice and opportunities for everyone.

Availability and volatility of commodities and supplies: Ensuring the continuity of the business, capitalizing on opportunities and managing the risks that are not directly controlled by the Company by incorporating economic, social and environmental variables in the management of the supply chain.

Digital transformation: Incorporating capabilities based on digital services, taking as a starting point the cultural transformation, the development and adoption of new technologies, the identification of new business models, the development of the value chain, and the evolution of both *data* and analytics.

Integrity and corporate governance

Establishing a conduct framework governed by transparency, integrity and ethics by developing management, information reporting, and risk control and management policies with the objective of strengthening the Organization's trust-based relationships for the benefit of the shareholders and all other stakeholders.

Employee from Comercial Nutresa in Colombia.

Management approach [GRI 3-3]	Progress achieved in 2021 [GRI 3-3]
Consolidating capabilities and promoting a conduct focused on an upstanding behavior, corporate governance and risk management.	• 1.306 employees participated in the discussion session titled "How do you experience integrity?" **(SDG 16.5) (SDG 16.6)** • More than 3.500 employees received training in risk, crisis and continuity management. • More than 432 hours of training in the development of autonomy capabilities for compliance officers. • 30.455 employees and third-party-personnel received training related to the risk of money laundering, terrorism financing and the financing of the proliferation of weapons of mass destruction (ML/TF/FPWMD). **[GRI 205-2]** • Modification of the operation of the Committee of Ethics, Transparency and Conflicts of Interest to improve its efficiency. • Selection of a new technology platform with the aim of boosting the governance, risk and compliance model (abbreviated GRC in Spanish).
Watching over the compliance with laws, regulations and corporate governance practices while ensuring their monitoring and relevance in time.	• Implementation of the Free Competition Policy in all of Grupo Nutresa's Business Units. • Creation of Grupo Nutresa's Compliance Committee. • Update of the transparency and business ethics programs of all the Business Units Colombia. • Adoption of new regulations for the risk of ML/TF/FPWMD and update of the corresponding policy.
Integrating the risk management and internal control processes with the strategy to create value for the Organization.	• Consolidation of the methodology regarding risks, trends and opportunities, and alignment with the strategic dimensions, capabilities and geographies. • Internal control system maturity level evaluation based on the COSO standard. • Formulation of the risk analytics model for the decision-making process. • Monitoring of strategic, tactical and operational risks, and start of the assurance map for strategy-related risks.
Strengthening the organizational resilience.	• Execution of the maturity diagnosis in terms of organizational resilience, which resulted in an 82% rating. • Consolidation of the business continuity management system, reaching 84% of the strategic maturity level goal. • Execution of the continuity model in the sourcing chain, and expansion of the management system to the Helados Bon production plants in the Dominican Republic and the Molinos production plant in Santa Marta, Colombia.

Integrity and a good corporate governance are

pillars

of the corporate philosophy based on which Grupo Nutresa ensures its actions are carried out within an institutional framework based on ethics and transparency.

Risks and opportunities [GRI 3-3]

The changes in the social, political and economic contexts in the countries where Grupo Nutresa operates give rise to constant challenges regarding the adequate formulation and management of the Organization's corporate governance, risk and compliance models. These challenges can compromise the efficacy of the control measures for the identified risks, enable their materialization and translate into ethical faults or inadequate conduct by third parties and the Company's staff. This would produce an adverse impact on the reputation and on the engagement with the stakeholders, leading to market loss and legal penalties. Integrity and a good corporate governance are pillars of the corporate philosophy based on which Grupo Nutresa ensures its actions are carried out within an institutional framework based on ethics and transparency.

Therefore, it is a priority for the Company to maintain its corporate governance models and practices aligned with the highest global standards, as well as to promote and watch over their fulfillment by employees, suppliers, clients and all other stakeholders. These actions are consolidated by adequately implementing the risk management and internal control systems, which contribute to preventing and mitigating the risks, including those associated with corruption, fraud, transnational bribery and the risk of ML/TF/FPWMD.

All these aspects represent an opportunity to keep boosting the monitoring activities and the timely and effective adoption of new regulations, including the integration of the risk, trend and opportunity management model with the corporate strategy, and the use of new technologies as tools for the benefit of both the decision-making process and the organizational resilience.

Outlook

Maintaining the level of excellence in the updating, communication, promotion and management of the good corporate governance is and will continue to be a priority for Grupo Nutresa. Along the same line, the Organization constantly monitors the global trends in this context and strives to adopt leading practices and state-of-the-art tools to incorporate effective mechanisms with the aim of ensuring the upright behavior and the corresponding compliance at all levels of the Company.

Another key aspect is the consolidation of the compliance model, aligned with the standards required for guaranteeing the execution of the operations in line with the corporate philosophy and competitiveness in the markets where Grupo Nutresa has presence, synchronizing the implementation and the expansion speed of both the ethics and transparency model and the compliance model for the prevention of ML/TF/FPWMD with the organizational growth.

To fulfill these objectives, it is essential to continue working on the articulation of the risk, trend and opportunity management model and the internal control model with the strategy. By doing this, the Organization incorporates the dynamic perspectives of appreciation and treatment, harnesses capabilities related to digital transformation and analytics for the decision-making process, and implements new technological tools that streamline the governance-risk-compliance integration, thus ensuring the effectiveness, relevance and productivity of the models.

Additionally, the Company will continue promoting the ethical behavior of employees and related third parties by strengthening the corporate culture, the organizational values and the clarity in terms of the expected observable behaviors. Grupo Nutresa will also make progress in the implementation and consolidation of the internal control standards.

Practices that stood out and acknowledgments

Investor Relations "IR" Acknowledgment

For the ninth consecutive year, Grupo Nutresa obtained this acknowledgment from the Colombian Stock Exchange due to its practices in terms of information disclosure and relations with investors.

"Merco Empresas" corporate monitor

For the seventh consecutive year, Grupo Nutresa was the top second company with the best reputation in Colombia and the top one in the food sector according to "Merco Empresas," a benchmark corporate monitor in Ibero-America, which has been evaluating the reputation of companies since 2000.

Consolidation of the risk and crisis management as part of the leading practices in the Dow Jones Sustainability Indices (DJSI)

Grupo Nutresa stood out in the food industry in contexts such as corporate governance and risk management culture.

Material topic details

Board of Directors

The Organization ensured an optimal communication with its shareholders and all other stakeholders through diverse channels such as the report on the implementation of leading corporate practices and the annual corporate governance report, which presents its most relevant facts and news.

The Board held meetings on a monthly basis and the support committees met twice over the year, except for the Finance, Audit and Risks Committee, which held five meetings. Therefore, the Board of Directors fulfilled the responsibilities and meeting frequency established on the Code of Corporate Governance. Finally, the Board conducted its annual self-evaluation through which it assessed the qualities, attributes and experience of the Board itself and its support committees, and identified improvement opportunities.

Compliance management

The Company continued consolidating and implementing the communication and training strategy known as 'I act with integrity' in order to foster an integrity-based culture among the employees, suppliers and clients. It is worth highlighting the following achievements:

Organization of the discussion session titled "How do you experience integrity?" which included the participation of more than 1.306 employees from all the Business Units and geographies. **(SDG 16.5) (SDG 16.6)**

More than 3.500 employees received training in risk, crisis and continuity management.

30.455 employees and third-party staff received training related to the prevention of the risk of ML/TF/FPWMD. **[GRI 205-2]**

Furthermore, the Company created its Compliance Committee, which is formed by the Vice-President General Counsel, the Risk Manager and the Internal Audit Manager. This committee is in charge of monitoring the Organization's compliance system, coordinating the work of the departments that participate in the process and formulating strategies for an adequate operation and continued improvement.

Competition Policy

In 2021, Grupo Nutresa designed and deployed the disclosure of the Competition Policy, which promotes ethics, transparency and good business practices. Thus, the Company sets as its premise that its companies shall respect the free participation of other companies in the market, fostering business loyalty, consumers' well-being and economic efficiency. The promotion of this policy will continue throughout 2022. **[GRI 205-2]**

Transparency and Business Ethics Program

The Organization launched the update process for the Transparency and Business Ethics Program (abbreviated PTEE in Spanish) in its Business Units in Colombia in order to ensure their adaptation to the new regulations established by the Superintendency of Companies. The purpose of this action is to continue fighting corruption and transnational bribery [GRI 205-2]. Additionally, the Company modified the composition and operation of the Committee of Ethics, Transparency and Conflicts of Interest to improve its efficiency and case-addressing performance. The Committee reviewed 67 cases that were reported throughout 2021.

Prevention of the risk associated with ML/TF/FPWMD

Consolidation of the system through the strengthening of the compliance officers' capabilities with more than 432 hours of training invested, and the update of the policy, the manual and the procedures related to the management of this risk, considering the amendment to Chapter X of the Basic Official Legal Notice issued by the Superintendency of Companies.

In addition, the Organization incorporated technological tools for detecting and managing red flags, as well as analytics for developing segmentation models.

No significant sanctions or fines due to the breaching of regulations or laws were imposed on Grupo Nutresa or its subsidiary companies. **[GRI 2-27] [FB-FR-310a.4]** There were no legal actions for anti-competitive behavior, anti-trust or monopoly practices either. **[GRI 206-1]**

Grupo Nutresa covered a total of COP 1.070.154.521 in expenses from retroactive pension payments, reimbursements and other concepts related to labor laws. Additionally, no fines due to labor discrimination were imposed on the Company. **[FB-FR-310a.4]**

Employee
from Opperar
in Colombia.

Ethics Hotline

For Grupo Nutresa, ethics and transparency are fundamental corporate performance pillars and they are highly relevant principles for the fulfillment of its mission.

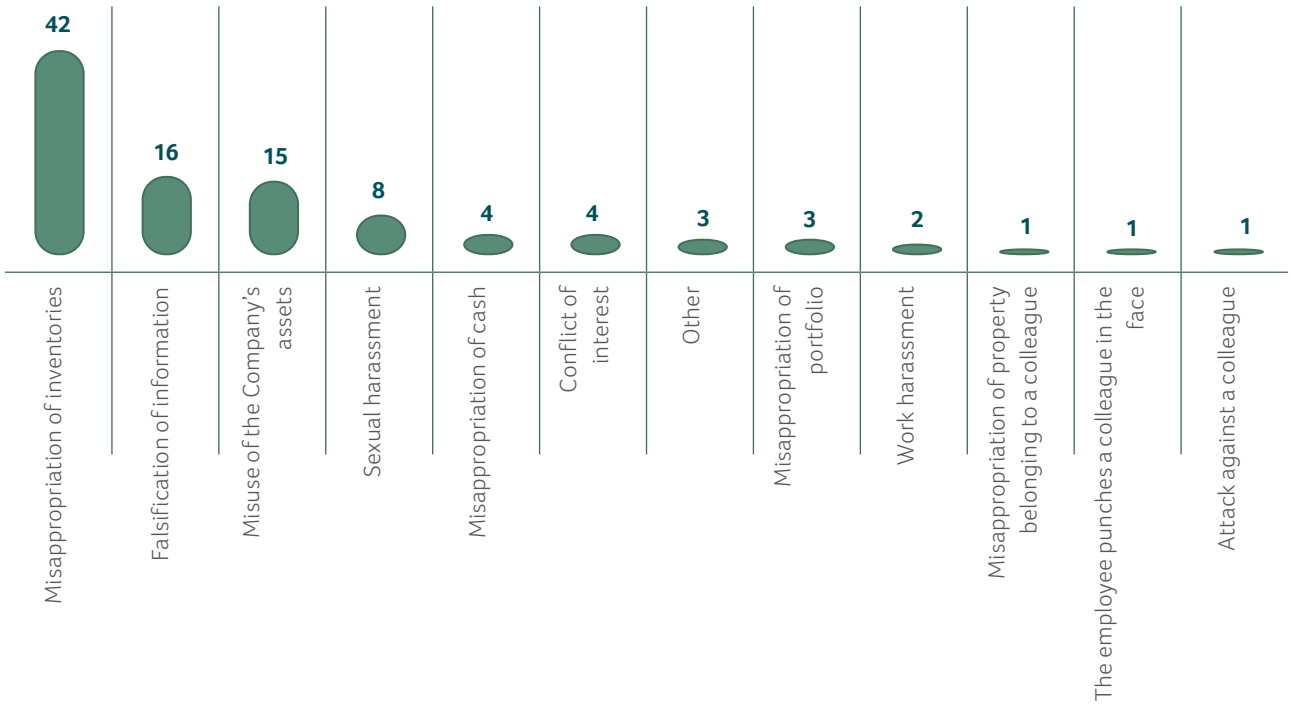
Fraud, corruption, asset laundering and financing of terrorism are some of the most significant risks related to this matter, and they were managed through policies, codes and awareness-raising and training initiatives that facilitate the engagement with the corresponding stakeholders. **[GRI 205-1] [GRI 2-26] (SDG 16.5) (SDG 16.6)**

In 2021, the Organization received reports about 100 incidents related to breaches of the Code of Corporate Governance **[GRI 205-3] (SDG 16.5)**, which amounted to an approximate total of COP 50 million, broken down as follows:

Additionally,

279

cases reported through the Ethics Hotline were addressed and channeled to the responsible departments of each one of the Business Units.



These incidents involved 100 employees, 65% of whom were working under direct employment contracts and 35% under service provision contracts. The Company terminated the contractual relations with all people involved and the corresponding legal actions were commenced. It is important to note that Grupo Nutresa has risk transfer mechanisms in place in order to mitigate all related impacts.

Additionally, 279 cases reported through the Ethics Hotline were addressed and channeled to the responsible departments of each one of the Business Units. In this regard, 91% of the reports were related to direct employees and 9% of them involved third-party staff. Furthermore, 24% of the reported cases were confirmed with full investigations and have been duly closed. **[GRI 205-3]**

Employees from Servicios Nutresa in Colombia.

Tax regulations

In 2021, there were regulatory changes in the tax laws of Colombia, Mexico and Ecuador. These updates will come into effect in 2022 and the Business Units will address them pursuant to the provisions of the law. In 2022, the Organization will maintain constant monitoring, including the rules of application and time frame of the statement published by the Organisation for Economic Co-operation and Development (OECD) in 2021 about avoiding the erosion of tax basis due to the digitalization of the economy.

Management of risks, trends and opportunities

Grupo Nutresa made progress in the consolidation of the risk, trend and opportunity management model, delving into its integration with the strategy for 2030, in the effective management of the current risks, and in the identification and communication of the Organization's emerging risks. This strengthening included the update of the Risk Management Policy, incorporating matters related to climate change governance and definitions of key roles and responsibilities. Additionally, the Company monitored the strategic risks of each one of the Business Units, including the deployment from and to the tactical and operational levels. This review included the trends and changes in the context of each one of the Business Units. **[GRI 2-23] [GRI 2-24] [GRI 2-25]**

Grupo Nutresa has implemented a model that allows identifying the externalities and assessing the main environmental, social and economic impacts on the value chain based on the true value methodology. By means of this management tool, it is possible to steer the efforts with the aim of preventing risks and generating sustainable solutions that allow creating a higher value in the long term for both society and the environment.

Additionally, the Organization conducted a diagnosis of the organizational resilience maturity level, obtaining a score of 82 out of 100, which places the Company at a managed level, which reflects the progress made in this regard and allows, in turn, identifying gaps that are key in its improvement process.

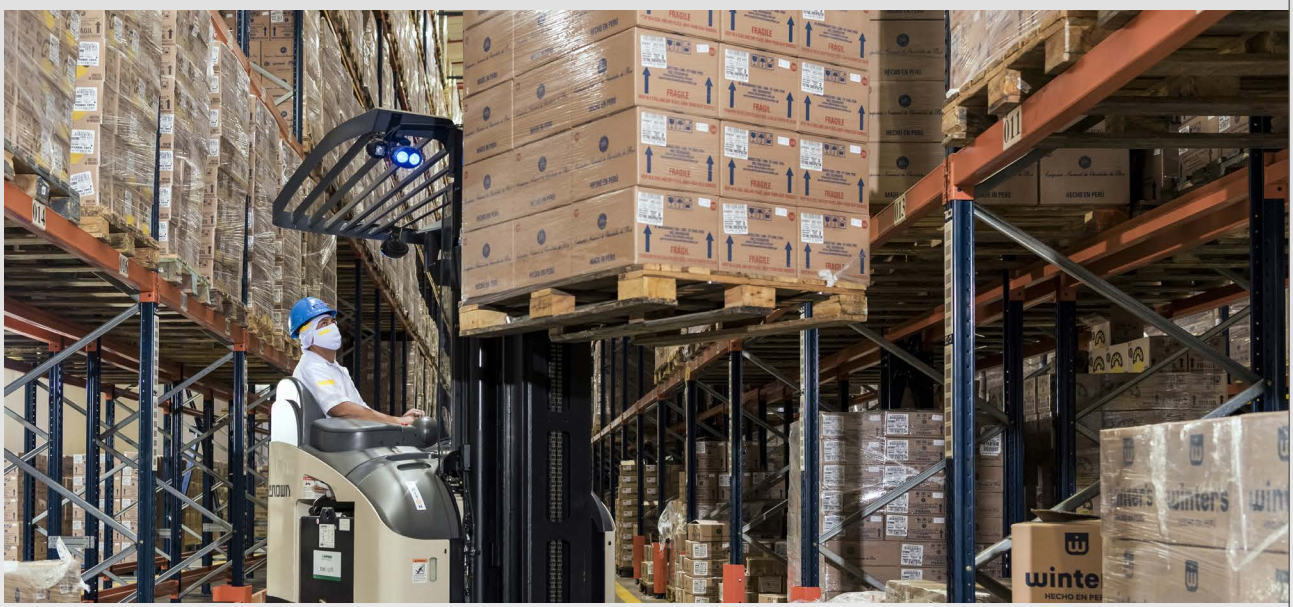
Finally, regarding business continuity, Grupo Nutresa made progress in the consolidation and expansion of the system in new geographies and in the sourcing chain. The materialization of risks such as the COVID-19 pandemic and the issues with the supply chain have put the previously designed and implemented plans and protocols to the test, thus successfully demonstrating the relevance of this system for the Organization.

Profitable growth in the markets and economic and sociopolitical setting

Profitably growing based on the construction of a category and geography portfolio that maximizes the creation of value through memorable experiences with effective commercial networks, and generates synergies that optimize the working capital. Agilely managing the political and economic risks that may affect the Company's competitiveness, and contributing to the construction of societies based on a deep sense of respect, inclusion, justice and opportunities for everyone.

Employee from Opperar in Colombia.

Management approach [GRI 3-3]	Progress achieved in 2021 [GRI 3-3]
Consolidating the geography development model.	• Consolidation of the Brands and Networks Management Model to develop the geography-entry capabilities. • Creation of the portfolio of categories and products with the aim of offering them in the markets through the distribution and sales networks. • 55 categories were developed throughout the strategic region. • Expansion of the business management and operations in Asia and Africa to gain knowledge on the consumers, shoppers and clients, and achieving appreciated sales. • Strengthening of the commercial networks with the acquisition of Badía and Belina.
Strengthening the brands' differentiated value propositions.	• Participation in more than 55 categories that are essential in people's diets; identification of 48 leading brands; and a sales consolidation level of 75% in Colombia and 50% in all other geographies.
Making progress in the development of the commercial networks.	• Development of alternative service channels for shoppers in Colombia, United States, Ecuador, Costa Rica and the Dominican Republic with the purpose of ensuring close relations with them and easy buying experiences for them. • Optimization of the product portfolio to provide a better service to shoppers and clients, considering opportunities regarding shopping missions, moments of consumption and strategic roles of the portfolio.
Strengthening the strategies in terms of market entry, omnichannel capabilities and e-commerce.	• COP 864.351 million in sales through digital channels.



Logistics processes in the Chocolates Business in Peru.

Management approach [GRI 3-3]	Progress achieved in 2021 [GRI 3-3]
Improving competitiveness	• Development of the efficiency improvement plan and the logistics plan with savings totaling COP 98.107 million, a fulfillment rate of 140% with more than 983 negotiation initiatives and a 95,7% scope in the master plans for logistics and infrastructure. • Development of the business and work productivity plan with an 8,3% achievement in relation to logistics costs (the goal was set at 8,6%); industrial at 6,0% against the 6,7% goal due to handover with 0,7% decrease, and conversion for COP 1.210 million out of the COP 1.250 million goal.
Optimizing the use of working capital.	• Increased *confirming* with a scope of COP 90.852 million. • Exchange hedging achievement, which countered the exchange rate impact, representing COP 31.110 million.
Managing the tax strategy based on complete transparency criteria.	• Consolidation of a project portfolio intended to access tax benefits in the science, technology and innovation system. • Development of capabilities in all the Business Units focusing on the formulation and mapping of projects, and on the participation in the ecosystem's calls for entries. • Participation in the Colombian government's works-instead-of-taxes mechanism, managing COP 1.474 million in 2021.

The work-from-home methodology was one of the measures implemented to take care of the life of the employees.

Risks and opportunities [GRI 3-3]

The shifts in consumption, the new trends and the impact of the global supply chain issues remain major challenges for Grupo Nutresa's operations at the moment of maintaining leadership positions and developing the market through brand and network management.

The exchange rates in the strategic region, along with the interruption in the supply chains and the political instability entail significant risks for the Company's profitability. Consequently, the Organization strengthens capabilities that allow managing the markets where it operates based on the deep knowledge of its stakeholders in order to anticipate and achieve transformations that have a positive impact on the results in the region.

On another note, the constant and increasingly stronger demand for channels that facilitate the buying experience represents an opportunity to execute quicker and more practical and efficient corporate processes that generate competitive advantages and contribute to the development of both the clients and the market.

Finally, the hyper-competitiveness of the food sector represents a risk for the profitable growth. Therefore, it is essential to optimize the demand spaces and work jointly with suppliers, logistics operators and other business partners on adjusting the inventory policies and having an adequate ROIC management.

Outlook

Grupo Nutresa will continue striving to achieve profitable growth by building Business Units that have a portfolio of categories and geographies that help to maximize the creation of value and reduce the risks. Therefore, the Organization will enhance corporate capabilities centered on developing geographies and categories, brands, networks and experiences among its stakeholders.

For Grupo Nutresa to be aligned with the economic and market dynamism, the Company will manage its brands with the aim of consolidating itself in the preferences of consumers, shoppers, clients and customers based on the leadership positions in the categories and geographies. This will allow the Organization to capitalize on new opportunities that generate value with high innovation levels.

In Colombia, the efforts will be focused on consolidating the brand capital, and delving into the distribution processes and consumer loyalty. In the geographies that are under development, such as the United States, Central America and Chile, Grupo Nutresa will work on maximizing the brands' knowledge on building up their positioning and strengthening the distribution processes. In the potential geographies, such as Mexico, Peru and Ecuador, the efforts will be centered on expanding the Organization's presence through both its own and third-party networks for generating knowledge and performing tests. And, finally, in the exploratory geographies, such as Africa and Asia, the Company will deploy pilot programs focused on learning with the purpose of evaluating the potential of the value propositions.

Moreover, Grupo Nutresa will keep working on enhancing dialogs and partnerships that allow understanding, anticipating and managing the changes in the political and socioeconomic setting through a genuine and constant engagement with the stakeholders, as well as a responsible legal and tax management.

Finally, with the creation of the international marketer company C.I. Nutrading, the Organization will develop an exports platform for Colombian companies interested in traveling down the path of internationalization, supporting their capability-incorporation process and facilitating their access to new markets. For this purpose, it is essential to draw on the capabilities Grupo Nutresa has developed over time.

Practices that stood out and acknowledgments

National Exports Award 2021 for the Coffee Business

The Coffee Business was acknowledged by the National Foreign Trade Association (Analdex) together with ProColombia in the category of Large Company of Goods for its outstanding growth in exports, the interventions focused on increasing its production capacity, the development of a biodegradable cup, the implementation of *cold brew* with proprietary technologies, and the execution of environmental sustainability projects. These initiatives have produced satisfactory results for the Business Unit: 65% growth in exports over the past five years (the exports of appraised liquid extracts multiplied four-fold to markets in Asia and the United States), increase in the value per kilogram of coffee exported, and penetration into new appraised segments through the creation of disruptive applications for *food service* companies.

Novaventa was included in the gold category of the 11th National Excellence Awards of the Business Process Outsourcing (BPO) Industry

Novaventa was acknowledged by Emtelco, strategic partner in the collection of the overdue portfolio, for the development of alternative channels for the Individual Entrepreneurs who required normalizing their debt in times of the COVID-19 pandemic. This had a direct impact on the placement of new orders, the cash flow, the entrepreneurs' revenue, the production for the partner brands, and the reactivation of the global economy. This initiative allowed maintaining the business continuity, improving the collection results, and reducing the portfolio write-off for the pandemic cycles.

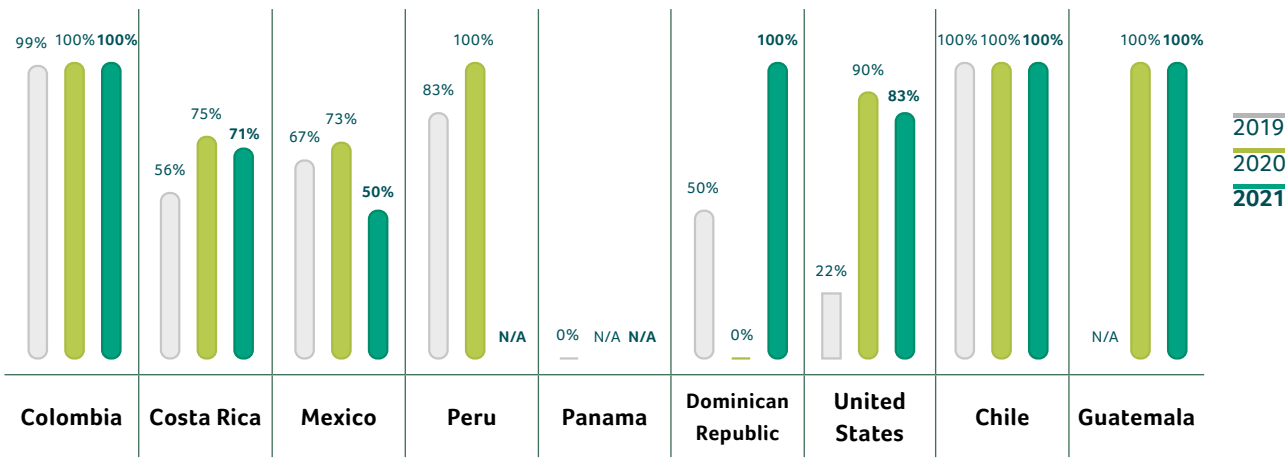
Employee from Comercial Nutresa in Colombia.

Material topic details

Grupo Nutresa makes progress in the fulfillment of its strategy for 2030 and its goal of doubling the sales recorded in 2020. This progress is being achieved by developing brands that are leaders in relevant categories, offer nutrition, well-being and pleasure, and generate memorable experiences with effective commercial networks.

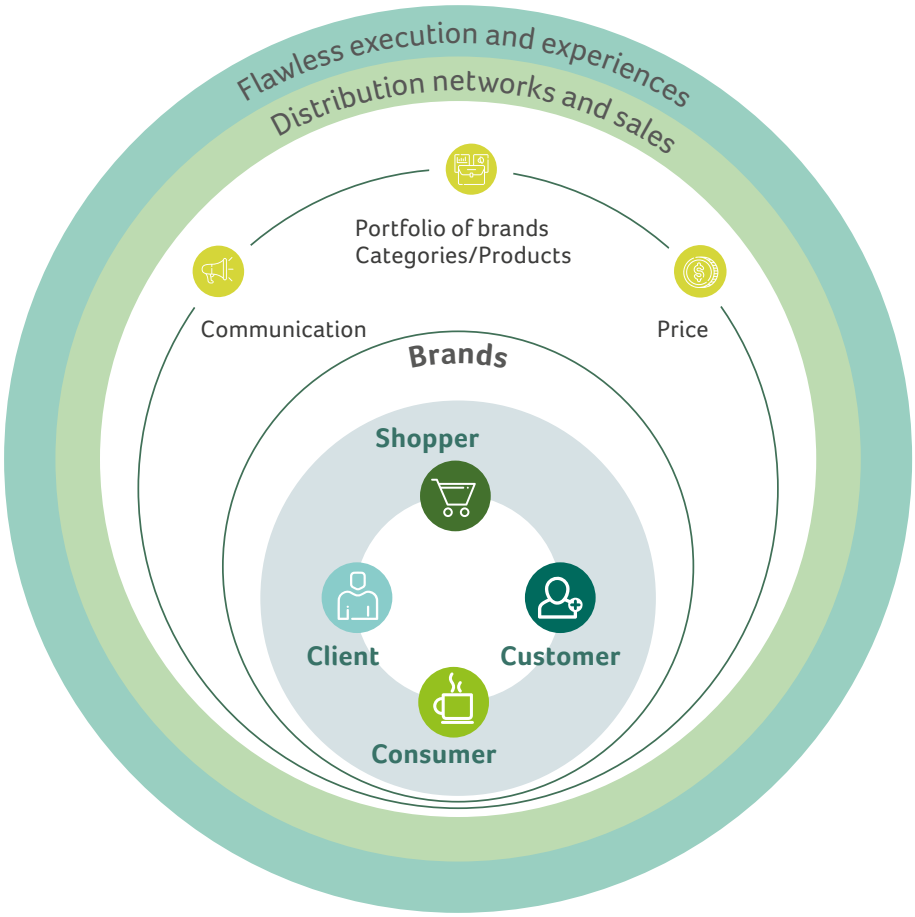
The Company promotes actions based on the deep understanding of the markets, and on the adaptation and strengthening of its operations. As part of this process, the Organization has carried out actions that respect and stimulate the particularities of the multiple regions based on one of the most important resources Grupo Nutresa has: human talent. In 2021, the Company watched over the conditions and benefits of internal equality and external competitiveness in order to facilitate the attraction and loyalty-building of the best talent, and to contribute to the participation of the regions' local people in the Organization's executive positions, thus fostering social development and a superior performance. **[GRI 202-2]**

Local people in executive positions [GRI 202-2]



Brands and Networks Management Model [FB-MP-250a.4]

This model charts the way for the business management based on the understanding of the market. The purpose of this is to formulate the strategies for the brands taking into account the cultural and talent-related elements, thus offering value propositions that meet the needs, and delivering a differentiated experience that achieves the expected connection, closeness, loyalty and preference in the geographies.



The Company has worked consistently to deliver a portfolio of categories, brands and products by successfully managing the networks, thus contributing to the fulfillment of the objectives and to the materialization of development opportunities and the strengthening of geographies, categories and markets. The purpose of all of this is to ensure the Organization's growth, relevance and sustainability.

In 2021, Grupo Nutresa's presence reached more than 55 categories, which make a positive contribution to sales growth through leading brands whose market share amounts to 75% in Colombia and 50% in all other geographies of the strategic region. Therefore, the Organization meets the needs of the stakeholders by contributing to their well-being, nutrition and pleasure based on innovation, growth and equity.

In 2021, Grupo Nutresa's presence reached more than

55 categories,

which make a positive contribution to sales growth through leading brands.

The work-from-home methodology was one of the measures implemented to take care of the life of the employees.

Sales through digital channels

The Company set a goal for 2030 that consists in obtaining 20% of its revenue through digital channels addressed to consumers and clients. To fulfill this goal, Grupo Nutresa adopted new technologies in 2021 with the purpose of supporting the economic reactivation, fostering the growth of both the industry and the region, being sustainable and incrementing the productivity and competitiveness by continuously improving the processes and services. The incorporation of these technologies allowed adjusting the value propositions to directly reach the markets in Colombia, United States, Central America and Ecuador through digital channels and concentrating efforts to offer benefits in terms of practicality, health and wellness in people's diets based on *insights* that denote the importance of contributing to the reactivation.

Through the B2B business, the Company reinforced its presence and positioning in the markets by means of a differentiated and appraised portfolio of ingredients in the coffee and chocolate categories. In the Coffee Business, it is worth highlighting the consolidation of the customer service in the United States and Asia with innovative value propositions in the beverage and food service segments. For its part, the Chocolates Business, with its Cordillera brand, strengthened its operation in the industrial and *food service* segments, leveraging it on its superior purpose and dynamizing the category.

Presence in new categories

Grupo Nutresa entered new categories in Costa Rica with the Belina brand, which focuses on animal feed, thus expanding the portfolio of supplementary capabilities and solutions in order to contribute to the development of both clients and the region. In Colombia, the Business incorporated Basic Kitchen, a food product distribution company under the Badía brand name, as a further step in the path of delivering comprehensive and high-value solutions.

By means of the existing brands, Grupo Nutresa ventured into the creation of products in the categories of proteins and vegetable-origin beverages, healthy ingredients, fresh meats and functional infusions (herbal tea products), among other. Such products are aligned with the globally relevant healthy-lifestyle trend that is steadily growing in the markets of the strategic region.

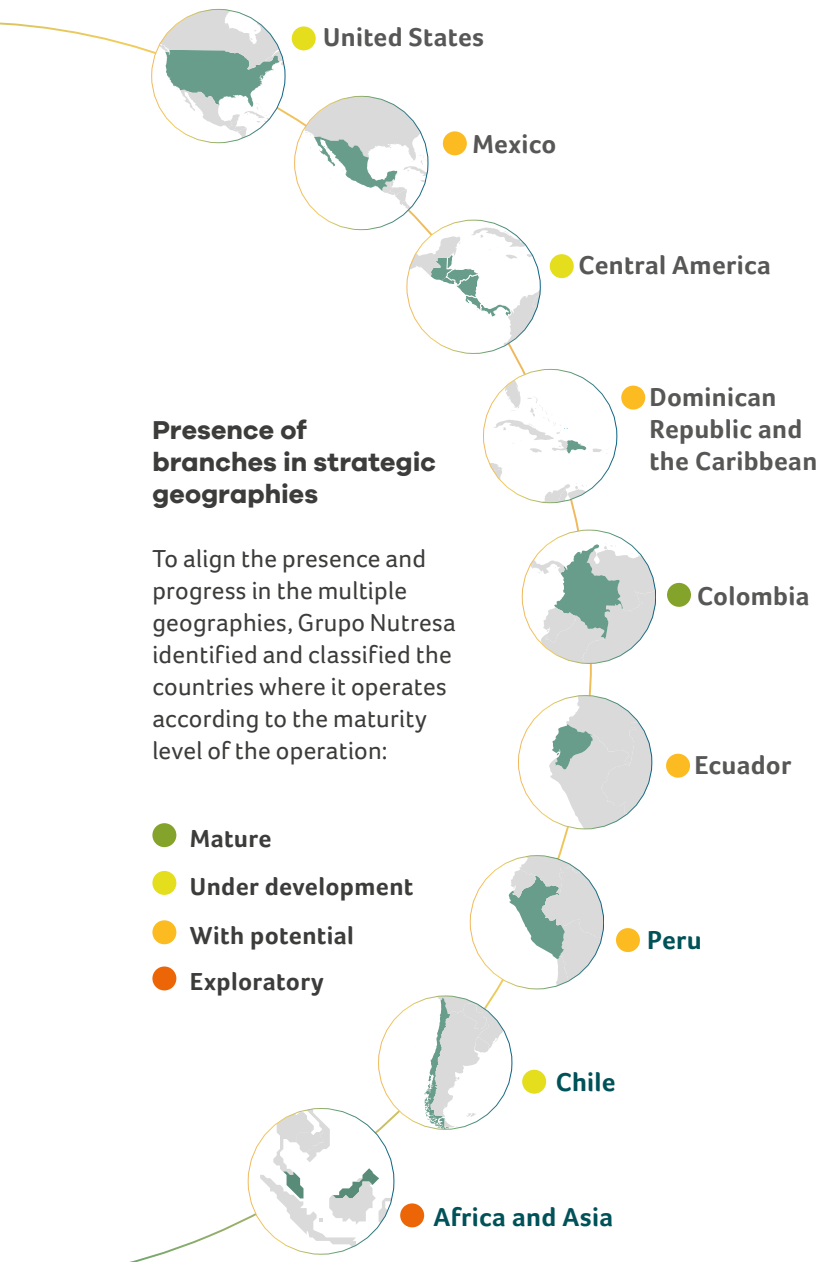
The power of the brands, the knowledge on distribution and the design of client engagement models boosted the development of the geographies with appraised sales. This boost reinforced the Organization's business management capabilities and its presence in geographies such as Asia and Africa, thus consolidating its competitive position.

New presence in the animal feed category through the Belina brand in Costa Rica.

Commercial capabilities at the service of business development

Supported on the historically developed capabilities and on its internationalization experience, Grupo Nutresa incorporated C.I. Nutrading in 2021 with the purpose of contributing to the enhancement of the Colombian industry's export capabilities. This firm assists the Colombian companies that want to export products and services, and facilitates the consolidation and access to new markets through the competitive networks and distribution capabilities and their broad coverage in all the countries of the strategic region.

The Company set a goal for 2030 that consists in obtaining 20% of its revenue through digital channels addressed to consumers and clients.



Presence of branches in strategic geographies

To align the presence and progress in the multiple geographies, Grupo Nutresa identified and classified the countries where it operates according to the maturity level of the operation:

- Mature
- Under development
- With potential
- Exploratory

The work-from-home methodology was one of the measures implemented to take care of the life of the employees.

To develop these geographies, the Organization activated the focal points of work on the organizational capabilities: Talent development, Innovation and effective research, Brands, Networks and experiences, Competitiveness and Digital transformation.

Optimizing the use of the working capital

Grupo Nutresa is aware of the impact of the economic situation on the geographies where it operates. For this reason, the Organization created strategies that helped to protect the price, keep offering an excellent price-value ratio and ensure adequate profitability margins. Initiatives like the confirming process provided adequate mechanisms for managing the payments to the suppliers and making exchange hedging transactions. These actions contributed to decreasing the impact of the exchange market volatility and achieving an increase in the confirming volume of COP 90.852 million, in addition to exchange hedging transactions to counter the exchange impact, which amounted to COP 31.110 million.

Value generation and distribution [GRI 201-1]

(COP million)	2018	2019	2020	2021
Revenue from net sales	9.016.066	9.958.851	11.127.541	**12.738.271**
Revenue from financial investments	74.308	83.810	93.293	**101.254**
Revenue from sales of property, plant, and equipment	28.640	11.576	31.353	**40.498**
Direct economic value generated	9.119.014	10.054.237	11.252.187	**12.880.023**
Operating expenses	6.342.582	6.868.916	7.921.426	**9.144.813**
Salaries	940.571	1.004.756	1.122.190	**1.175.166**
Social benefits	452.376	500.013	575.903	**557.142**
Dividends paid to shareholders	260.614	281.596	298.712	**323.006**
Interest payments to credit providers	198.915	179.349	175.515	**119.762**
Payments to the government	282.857	331.243	324.382	**332.520**
Community investments	70.972	90.818	105.155	**159.656**
Benefits	104.389	106.225	116.698	**137.772**
Direct economic value distributed (partial, added to human talent management)	8.653.276	9.362.916	10.639.982	**11.949.836**
Economic value retained	465.738	691.321	612.205	**930.187**

Employee from Tresmontes Lucchetti, Chile.

Improving competitiveness

The Company was able to improve its competitiveness through alternatives that maintained a constant growth, the delivery of innovative and healthy products to the market with an adequate price-value ratio, and the positioning and leadership of its brands. Moreover, the Organization developed plans to increase the efficiency in the strategic sourcing processes with programs such as 'Atlas' and 'Clic,' in addition to the comprehensive logistics plan in all the geographies. These actions allowed achieving COP 98.107 in savings and the fulfillment of the goal reached 140%. Grupo Nutresa also managed more than 983 negotiation initiatives and achieved 100% of the execution of the master plans for logistics and infrastructure.

The productivity, understood as a way of generating value, was boosted with strategies focused on improving processes, automating repetitive activities and performing planning and follow-up actions, thus allowing the Company to fulfill its profitability goals. The Organization was also able to reduce the logistics costs by 8,3% (the goal was set at 8,6%), the cost per delivery decreased 0,7%, and the conversion cost improved by COP 1.210 million (the goal was COP 1.250 million).

With the aforementioned progress achievements and overcoming the global supply chain challenges, Grupo Nutresa's consolidated sales as of the closing of 2021 amounted to COP 12.738 trillion, which represented a 14,5% growth; therefore, the profitable growth expectations were successfully fulfilled.

Employee from the Biscuits Business in Costa Rica.

Managing the tax strategy based on complete transparency criteria

Grupo Nutresa is committed to paying taxes in an efficient and timely manner, always striving to ensure that the taxation levels and the benefits to which it has access contribute to sustaining and developing both the countries where it operates and the Organization itself. The Company also devotes significant efforts to ensure that all its tax practices are free of wrongful actions and operations that may be considered abusive in terms of taxes by the corresponding authorities.

In the context of tax strategy and governance, the Organization has a tax policy reviewed and approved by the Board of Directors, which is also publicly available. This strategy is applicable based on an ethics and transparency framework, observing the Base erosion and profit shifting (BEPS) measures, in addition to the tax regulations of each country where the Company operates. The purpose of this is to prevent disloyal practices in the markets where Grupo Nutresa participates, always striving to ensure the taxation levels and the tax benefits granted to the Organization contribute to the sustenance and development of the countries where the Company operates.

Additionally, and with the objective con countering regulatory noncompliance risks, Grupo Nutresa constantly monitors and keeps watch of the regulatory projects and bills that are being discussed in each country with the aim of identifying in an anticipated way the impact such amendments would have and the implementations that would be required in the information systems to comply with the changes in tax matters. **[GRI 207-1] [GRI 207-2]**

Moreover, based on its deep commitment to information transparency, the Organization discloses in its financial statements the most relevant tax information of each term for the stakeholders to have access to it and be duly informed. Furthermore, and

within the legal time frame, the information demanded by the multiple tax authorities is duly submitted, and all visits, calls and inspections are timely addressed as required by the corresponding officers, also providing unabridged documentation for the respective audits as needed. [GRI 207-3]

Grupo Nutresa is well aware of the importance of paying taxes and the impact such resources have on society. Therefore, since several years ago, the Organization discloses to its stakeholders the details of the tax payments in each country where it operates, demonstrating the complete transparency of its information management process. In this respect and with regard to each one of the companies that are part of Grupo Nutresa, the Company discloses information related to their main activity and number of employees, and for each jurisdiction the total revenue, income before taxes, the current income tax expense and the income tax paid for each term is duly informed. **[GRI 207-4]**

Reporting by country (COP million)

Country	Revenue	Income before taxes	Income tax payable	**Income tax paid**
United States	1.026.260	-4.588	5.819	**916**
Chile	923.428	98.318	-1.870	**21.502**
Colombia	8.538.110	730.211	192.050	**207.337**
Costa Rica	660.397	75.949	22.538	**40.005**
Dominican Republic	151.817	26.950	7.523	**6.115**
Ecuador	160.364	1.485	1.028	**2.380**
Guatemala	206.784	9.555	2.377	**-1.710**
Mexico	356.115	-2.365	395	**1.853**
Nicaragua	71.738	7.324	2.638	**2.012**
Panama	278.867	-3.180	-111	**4.221**
Peru	295.621	14.980	5.286	**7.702**
El Salvador	68.601	3.802	1.221	**1.464**
South Africa	169	-2.132	0	**0**
Total	12.738.271	956.311	238.894	**293.796**

Projects focused on improving the digital environment and the conditions for the training activities and the development of educational skills in Colombia.

Mechanisms used to facilitate the delivery of resources for learning and creating jobs

[GRI 203-1]

Grupo Nutresa maintains its participation in the "Obras por impuestos" (Works instead of taxes) mechanism, a strategy promoted by the Colombian Government through which taxpayers contribute to bridging socioeconomic gaps in the municipalities that have been affected the most by poverty and violence.

In 2021, the Company promoted nine projects focused on improving the digital environment, the conditions of the training activities and the development of the educational skills of 77.228 students, and on providing training in computer science and new technologies to 350 teachers. The projects will benefit 1.158 education institutions in 24 municipalities in the Colombian states of Antioquia, Tolima, Santander and Putumayo. These results were obtained in partnership with Suramericana S. A., which participated through seven companies. The projects represented an investment of COP 32.844 million for the acquisition of 2.794 computers, backpacks, steel cables, the corresponding furniture and the necessary school elements for 53.841 school kits (table, chair, board, locker and eco-friendly station), as well as 73.304 utensils and electrical appliances.

Moreover, Grupo Nutresa invested COP 100 million in the fund of payment for results called "Fondo de Emergencia Social BIS IV" (Social emergency fund) through the Investment Fund to create 1.250 jobs in the Colombian cities of Bogotá, Medellín and Barranquilla. Such model will be the learning scenario for replicating it across the region.

Responsible marketing and sales

Consolidating the Company's close relationships with its consumers, shoppers, clients and customers, as well as their preference, satisfaction and loyalty by delivering differentiated value propositions that contribute to their growth, profitability and sustainability.

Employee from the Chocolates Business, Colombia.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Strengthening commercial networks and generating satisfaction and loyalty among the stakeholders.	• Measurement and management of customer satisfaction and loyalty at a level of excellence. Satisfaction rating of 89,0 and loyalty score of 84,5 in Colombia. In other geographies, satisfaction: 89,5; and loyalty: 90,8 (last measurement conducted in 2020). • Design and structuring of "Voz del Cliente" (Client's voice), program intended to obtain relevant information for adjusting processes and bridging gaps. • Digital strengthening through digital sales channels, digital menus at points of sale and virtual training sessions for clients, among other. • Maintenance of self-care plans for sales people and clients with remote assistance and through the "Me cuido, nos cuidamos" (I take care of myself, we take care of each other) strategy.
Reinforcing the brands with a superior purpose that showcases their commitment.	• Progress was made in the formulation and identification of superior purposes for 11 brands based on the positioning model, the understanding of consumers and the Organization's sustainability strategy.
Developing plans and projects centered on enhancing the clients' business capabilities and consolidating inclusion-driven business models that contribute to the stakeholders' development.	• More than 290.000 clients of Novaventa, Comercial Nutresa and La Recetta in Colombia, and of the Ice Cream and Biscuits Business Units in Central America benefited from loyalty-building programs that contribute to the growth and development of their companies. • Development of training plans for the commercial departments in order to enhance their client engagement knowledge and capabilities. • Consolidation of the client training strategy with 297.594 participants. • 2.752 clients from the massive networks secured certifications through the School for Customers Program.
Strengthening the commercial and distribution processes to reduce the environmental impact	• Conservation of the electric and gas-powered transport fleet in Comercial Nutresa and Opperar, thus contributing to the decrease in emissions and advancing towards a cleaner distribution operation. • 99,93% reduction in the carbon footprint of 5.561 freezer units of the Ice Cream Business by means of a technology that consumes 15% less energy. • Incorporation of 25 tons of plastic packaging material waste as supplies for manufacturing brand-positioning elements in the Cold Cuts Business.
Managing both the communications and the advertising responsibly.	• 99,3% of the advertising has been adjusted to the self-regulation criteria for kids between the ages of six and twelve agreed upon with the Colombian National Business Association's Chamber of Food in Colombia. Such measures were also applied across all geographies. • 92,9% of products with front-panel labeling. • 74,8 million people engaged with the campaign titled "Lo Bueno de Comer Juntos" (How good it is to eat meals together), which focuses on promoting healthy eating habits, family togetherness and life balance. The campaign was developed by the corporate brand and 17 brands from the Business Units in Colombia. • 77,2% of the products include final disposal recommendations and 48,9% of them include safety recommendations. **[GRI 417-1]**

Communication and marketing strategies of the Ice Cream Business in Colombia.

Risks and opportunities [GRI 3-3]

The markets where Grupo Nutresa furthers its business activities present social and political transformations, different ideals, constitutional reforms and social demonstrations that represent risks for the Organizations business continuity and operation.

This context, in addition to new consumption patterns that take into account matters such as climate change and products for hyper-connected and more informed consumers, demands clear and categorical actions by the brands in order to counter the adverse impact on the environment (for example: cleaner processes, environmentally friendlier packaging solutions and democratization of the products). These aspects represent an opportunity to strengthen the adaptation to new changes with more agile and efficient processes that create memorable experiences and have a positive impact on the planet.

On another note, the use of technology still represents an opportunity in the communication strategies to enhance and promote the deep knowledge on the market transformations and minimize the risks associated with stakeholder engagement and information management and disclosure. In addition, the development of internal skills for improving the support to the clients' growth represents a competitive advantage for the commercial networks, turning each one of them into a business partner.

Finally, the regulatory environment regarding the nutritional labeling of the products is a risk that the Company will manage based on the product reformulation breakthroughs and the incorporation of vegetable-origin ingredients. This purpose, along with consistent experiences for the target audiences, has the purpose of maintaining a competitive advantage and securing the market preference for Grupo Nutresa's brands.

Outlook

The strengthening of Grupo Nutresa's leading brands in the multiple geographies will remain a focal point of the work on consolidating the established strategies, advertising and communication. The action plans will be marked by the identification and consolidation of superior purposes that incorporate new demands of the current consumers, such as healthy eating habits, the preservation of planet Earth and the development of more sustainable value chains.

The Company will work on delving into the knowledge on the market and the understanding of the new dynamics for the brands to be able to offer relevant and attractive value propositions with positive and memorable experiences.

The Organization will also prioritize the enhancement of the employees' competencies regarding the Brands and Networks Management Model in order to achieve their understanding based on the scope, depth level and maturity according to the geography where it is implemented.

Finally, Grupo Nutresa is aware of the fact that information is a basic but highly valuable asset. Therefore, the Company will continue consolidating a data protection policy that includes a secure information handling in compliance with the law through automation, leading practices and state-of-the-art technologies.

Practices that stood out and acknowledgments

The El Corral brand was included in the top 10 brands of the year in Colombia

Revista P&M, a magazine specialized in brands and advertising highlighted El Corral for the marketing actions taken in 2021, its impact in culture, its innovation in the methods used to connect with people, the support to social causes and the consistent communication management with the value promise.

Livean was awarded Chile's POY in the category of powdered juice beverages

In the fourth edition of Chile's Product of the Year (POY), the Livean brand was selected by more than 1.700 Chilean consumers as one of the 23 most innovative products in the local market. This instant cold beverage without artificial color additives was acknowledged, precisely, for including natural color additives such as curcumin and chlorophyll.

The Ice Cream Business was awarded an accolade in the Effie Awards Colombia

Every year, the Effie Awards highlight the brands that exhibit an outstanding performance in digital matters, diversity and inclusion aspects, adaptation to change, renewal and crisis response. The Ice Cream Business, with its Polet brand, was awarded the Bronze Effie in the food category for its campaign titled "La receta que cambia la ecuación de valor" (The recipe that transforms the value equation).

Commercial management activities in Peru.

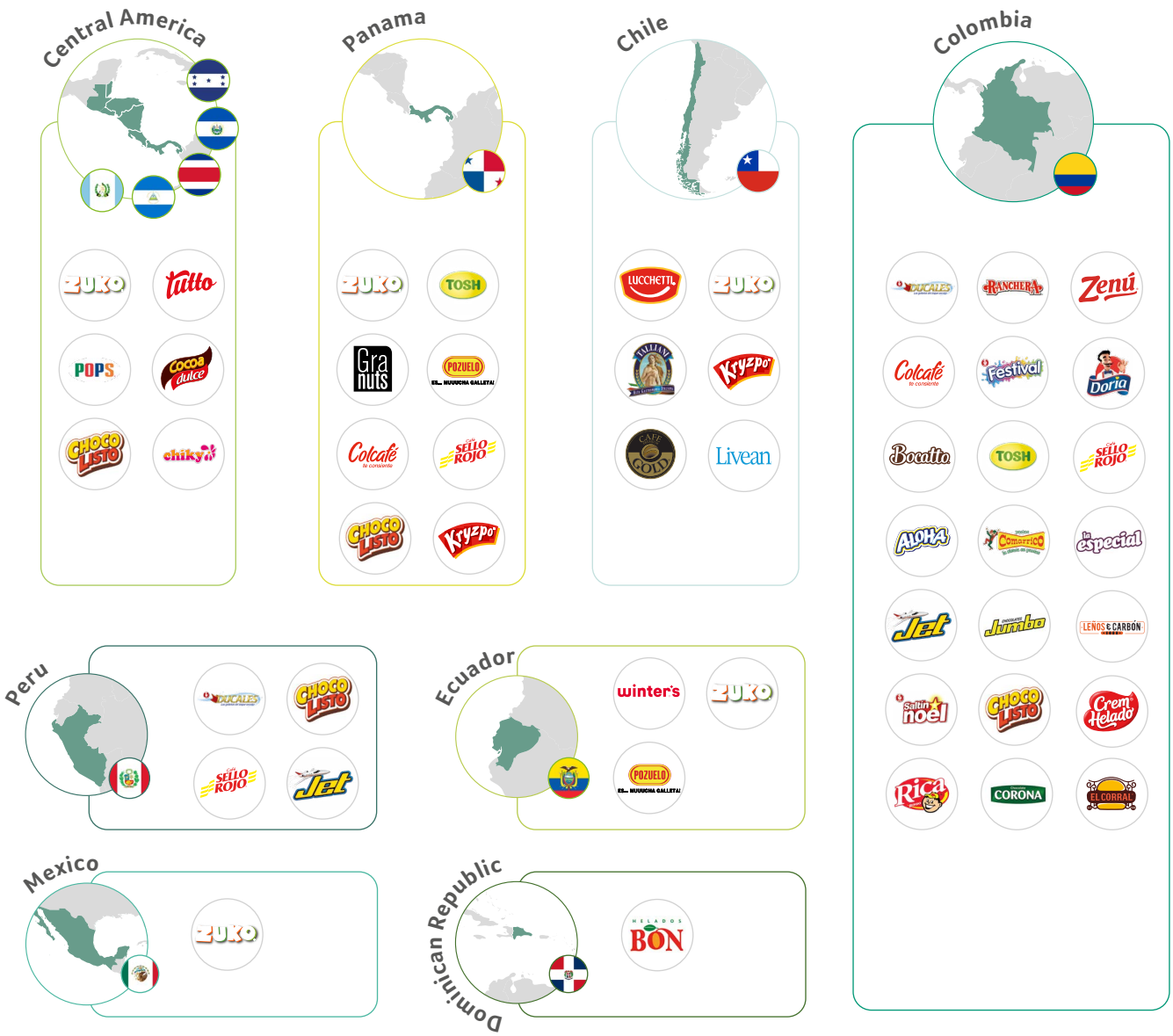
Material topic details

As part of its strategy for 2030, Grupo Nutresa increasingly consolidates its commitment to delivering differentiated value propositions that generate experiences for consumers, shoppers, clients and customers with high levels of satisfaction. This commitment also includes the consolidation of the Company's closeness to said target audiences and their preference and loyalty. The Organization delves into the understanding of these audiences in a profound and constant manner in order to use the resulting knowledge to enhance a market-focused culture that generates value propositions through its brands and networks. The following were some of the most outstanding achievements in multiple aspects for Grupo Nutresa in 2021.

Leading brands

Work within the Organization with leading brands, that is, those that rank in any of the first three positions regarding their share in the market of value for a specific geography and category. These brands have the ability, thanks to their positioning and brand health, to harness growth opportunities through variables such as distribution, penetration and innovation. In the strategic region, Grupo Nutresa has 48 leading brands that strive to continue consolidating their positions by shaping the markets with proposals that meet the consumers' needs.

Leading brands in the strategic region



To achieve a superior performance, the commercial teams rely on the Brands and Networks Management Model. This is a proprietary tool that guides the Company's actions in fields such as consumer segmentation, brand positioning, price management and communication, among other subjects.

Employee from the Cold Cuts Business commercial department at a point of sale in Colombia.

Grupo Nutresa's Segmentation Model

Training provided to

+ 297.594 clients

in addition to the 2.752 customers that secured certifications within the framework of the School for Customers program.

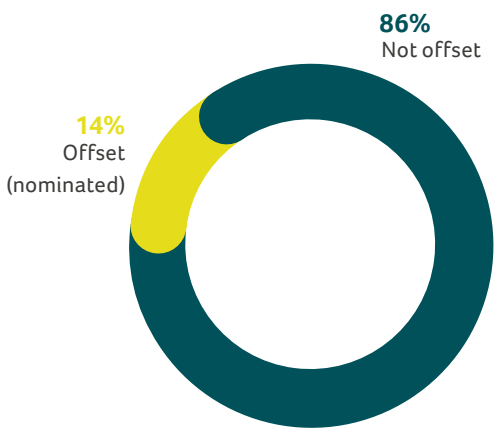
Brands with a superior purpose

Based on the Organization's positioning and sustainability strategy, the leading brands strive to identify a superior purpose with the aim of building relevant causes that are consistent with their essence. This purpose, combined with Grupo Nutresa's purpose, focuses on building a better world where sustainable development benefits everyone.

In 2021, two brands identified the challenges that had to be addressed by formulating programs that give life to the superior purpose and produce a positive impact.

On the one hand, Tosh has committed to contributing to the reduction of the impact of climate change based on its superior purpose of being in harmony with oneself and the environment. This position is achieved through the constant education of consumers and by being a carbon neutral brand certified by the Icontec thanks to the measurement, reduction and offset of its carbon footprint based on the reforestation and conservation of forests in Colombia and Costa Rica.

Opperar's offset balance for January-December



On another note, the Cordillera brand of the Chocolates Business has the purpose of "making the world a more sustainable and fair place by giving the possibility to transcend to all the hands that touch our chocolate." To achieve this, the B2B brand established a sustainability program that covers all its product portfolio and comprises three pillars: quality of life for the cocoa growers, well-being of the communities and protection of the planet. Through this program, Cordillera promotes the rural development and the productivity of the cocoa sector with initiatives such as the generation of technical, financial and organizational capabilities among more than 20.000 cocoa farmers, as well as the implementation of production processes that optimize the consumption of resources.

Development of channels and clients

Grupo Nutresa deploys training plans that have an impact on clients and employees from commercial departments and enhance their knowledge and capabilities. This strategy is consolidated by providing training to 297.594 clients and supporting 2.752 customers in the process of securing certifications within the framework of the School for Customers program.

Moreover, Novaventa, Comercial Nutresa, La Recetta and of the Ice Cream and Biscuits Business Units in Central America had a positive impact on more than 290.000 clients by means of loyalty-building programs and through the objective of growing together, generating value and developing tools that allow them to maintain the development of their companies. In Central America and Ecuador, the Organization organized training activities related to multiple topics of interest for clients.

Finally, the client satisfaction and loyalty indicators in Colombia amounted to 89 and 84,5, respectively. In Chile, client satisfaction is measured through the relevant supplier ranking for the modern channel. In 2021, this indicator jumped from 25 to 14 in such ranking.

Novaventa's Individual Entrepreneurs

Inclusion-driven business model for client development

Grupo Nutresa carries out articulated work with Fundación Nutresa on inclusion-driven commercialization programs. Five distribution initiatives were recognized as high-impact and potential inclusive businesses by the Colombian chapter of the World Business Council (Cecodes), which also submitted a report and a guide for bridging gaps and continue contributing to the work on overcoming poverty in vulnerable communities.

Novaventa conducted a measurement of the impact the network produces on its stakeholder regarding the generation of income and their distancing from the poverty line. Thus, the analysis demonstrated that, thanks to this brand, the entrepreneurs have move away from the monetary poverty line by 9,75%. Additionally, the program focused on the development of ceviche vendors in the Caribbean region in Colombia, steered by the Saltín Noel brand, had continuity in 2021 and benefited 56 vendors through initiatives such as biosecurity training for the reactivation of the ceviche selling activities, personal finances and good governance practices.

Inclusion-driven businesses recognized by Cecodes

NNII PROJECTS SUMMARY

BUSINESS	PROJECT
Comercial Nutresa	School for Customers
Novaventa	Novaventa's Individual Entrepreneurs
Meals	Inclusion-driven business in the alternative channel
Pozuelo	Development of Pozuelo clients "Recargada" (Recharged)
Noel	Ceviche vendors

Response to the changes in more sustainable consumer trends

As it is part of the wellness, nutrition and pleasure industry through food, Grupo Nutresa has been delving into the understanding of the trends of new and healthier lifestyles where consumers and shoppers look for relevant and attractive value propositions adjusted to their new realities.

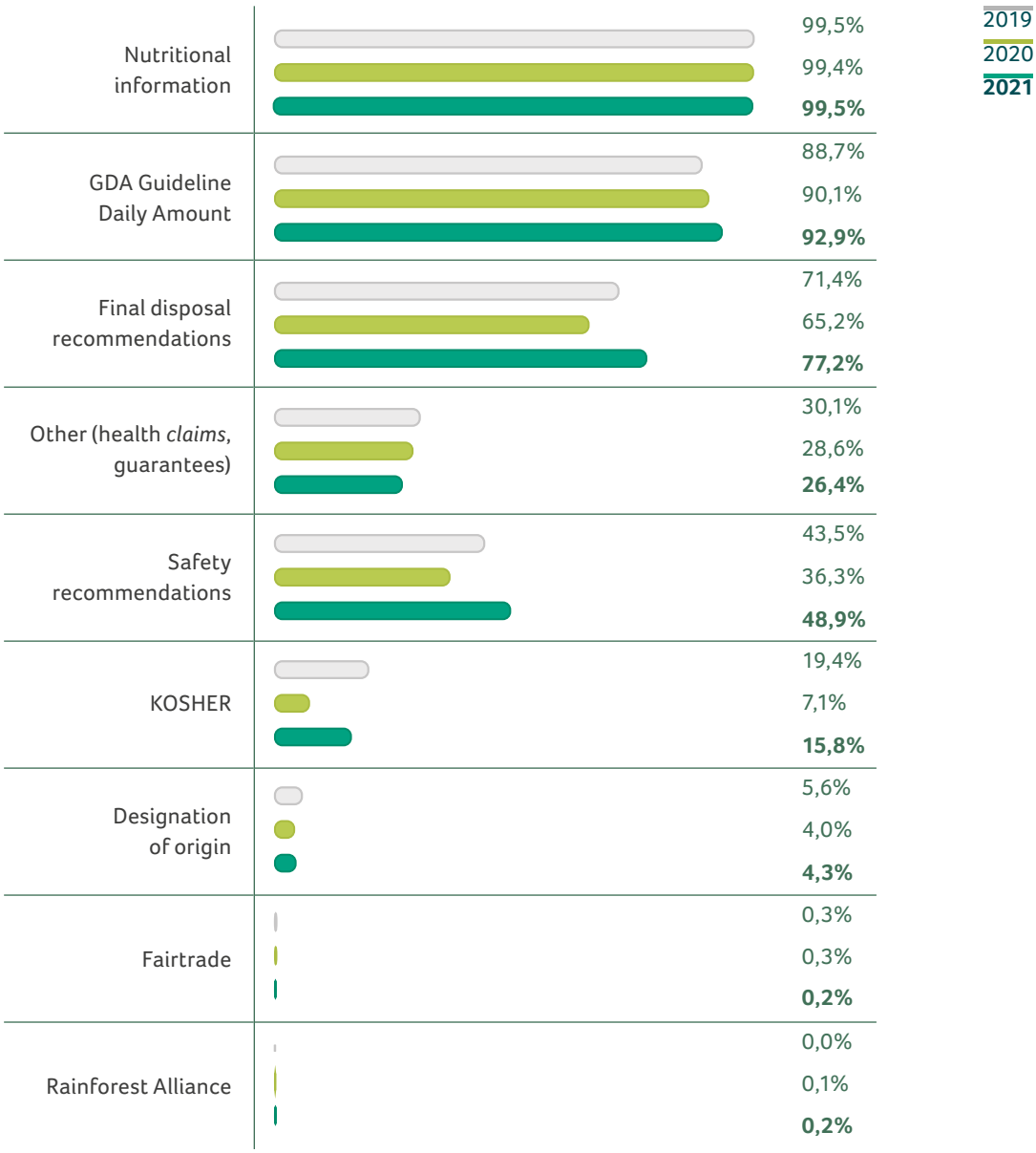
Based on the knowledge on needs and moments of consumption, the Organization supports the brands with healthy statements to deploy actions that are consistent and make sense for this target audience. The brands have taken on the constant work of delivering better value propositions via the reformulation and use of ingredients that boost the delivery of nutritional profiles adjusted to the current demands of the market.

In the context of genetically modified organisms (GMOs), the total revenue from products that contain them amount to COP 805 million, which corresponds to 0,01% of the revenues reported by the Business Units; conversely, the revenue from products not labeled as containing GMOs totaled COP 1.983 million, which represents 18,6% of Grupo Nutresa's total revenue. **[FB-PF-270a.2]**

The care for the planet and its sustainability remained focal points for the work that involves brands, networks, departments and processes in all geographies. The following initiatives stand out:

- Manufacturing of exhibition and visibility elements using recyclable materials in the Cold Cuts Business and Comercial Nutresa.
- Delivery of refrigerators to more than 5.560 clients of the Ice Cream Business. This action contributes to the reduction in both energy consumption and the emission of refrigerant gases. In 2021, Grupo Nutresa achieved a 99,93% decrease in the related carbon footprint.
- Distribution of the orders to 242.552 Novaventa clients using 100% recyclable boxes.
- Maintenance of the distribution fleet in Comercial Nutresa and in the Cold Cuts Business with 15 electric and natural-gas-powered vehicles. Additionally, a total of 7.589 tons of CO2 associated with the primary and secondary transport operations were offset through forest projects in Colombia.
- Collection of 43 tons of flexible plastics in Colombia by Novaventa and Comercial Nutresa through the "Nutresa Retoma" (Retake) Program, which encourages waste separation at the source. In 2021, the Organization distributed 500 waste collection stations in Colombia, thus contributing to the packaging material circularity commitments.

Product labeling related to sustainability attributes [GRI 417-1] [FB-FR-430a.1]



In 2021, the Organization distributed

500

waste collection stations in Colombia, thus contributing to the packaging material circularity commitments.

Managing both the communications and the advertising responsibly

With the Recyclable Packaging seal and a QR code that links to the website www.todosporelplaneta.com, the participating brands intend to inform and educate the users. With this initiative, the Company also pretends to encourage consumers, shoppers, clients, suppliers, companies, among other, join efforts to contribute to the protection of the environment.

Additionally, the following Grupo Nutresa brands include a seal on the packaging of their products that represents their support to actions that produce a positive impact: Tosh, Livean and Zuko with the carbon neutral seal; Pietrán with the cardiology seal; and Cameron's Coffee with the USDA Organic seal.

Compliance with labeling and marketing regulations [GRI 417-2] [GRI 417-3] [FB-PF-270a.3][FB-PF-270a.4]

	2019		2020		**2021**	
	Labeling	Communication	Labeling	Communication	**Labeling**	**Communication**
Number of fines	0	0	0	0	**0**	**0**
Number of warnings	1	0	0	0	**0**	**0**
Number of voluntary code violations	0	0	0	0	**0**	**0**
Total	1	0	0	0	**0**	**0**

Availability and volatility of commodities and supplies

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

GC Foods in Santa Marta, Colombia.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Improving and broadening the coverage of the strategic sourcing model.	• More than COP 98.108 million in savings in the supplies and services procurement categories through 511 initiatives in all the geographies. • Expansion of the *Design to Value* methodology to new categories with the aim of enhancing the value in multiples supplies. • Broadening of the strategic sourcing methodology and the IT and maintenance service methodology in Colombia and Central America.
Bridging sustainable-sourcing gaps.	• Formation of the *task force* on commodities, and creation of 16 roadmaps for the main commodities. • Update of the environmental and social risks for the supplies and service categories in Costa Rica. • Publication of the guide of sustainability actions for the primary production and sustainable sourcing of milk drawn up by the World Wildlife Fund (WWF).
Managing the availability and volatility of the prices of commodities.	• Review of the coverage policies with defined risk levels and limits to ensure their alignment with the evolution of the market. • Inclusion of palm oil, pork, corn, soy and Belina's operations in the Commodities Committee. • Furtherance of technical and fundamental analyses for the main *commodities* and packaging materials within the framework of the coverage policy for managing the economic and business-continuity risks.
Implementing the comprehensive foreign trade logistics model as an action for mitigating the impact of the disruption in the global supply chains.	• Consolidation of the ability to manage the commodities that are administered by Gestión Cargo by means of the safety inventories for the critical supplies.

Employees from the Chocolates Business in Peru.

Risks and opportunities [GRI 3-3]

The competitive setting, the demographic transformations, the evolution of the consumption patterns, and the logistical difficulties for sourcing some of the commodities as a consequence of the COVID-19 pandemic, still are major challenges for Grupo Nutresa because they represent risks for the availability of the commodities and may have an adverse impact on the competitiveness of the food sector. In addition to this, the impact climate change has on the use of the soil and on the global temperature, as well as the floods and droughts, are phenomena that should also be considered.

Thanks to the responsible sourcing model and its reconfiguration based on the update of the materiality analysis, the Organization manages current and emerging risks in the supply chain by means of interdisciplinary work performed with specialized teams and the creation of committees that analyze the coverage policies and scenarios that facilitate the decision-making process in the procurement of *commodities*.

The digital capabilities remain a major opportunity to leverage the management of the sourcing processes and the relationships with the suppliers based on the implementation of leading practices in a context of collaboration, traceability and online information, while the negotiation and procurement processes are also optimized.

Outlook

The Organization will strengthen the value chain management strategies with regional farming development, promotion and coverage initiatives for those commodities that present opportunities; additionally, the Organization will maintain the constant monitoring of the business environment to be able to anticipate any restrictions in the markets, related to logistics and supply, and variations in the exchange rates.

Grupo Nutresa is committed to fulfilling its goal of ensuring that 100% of the commodities used by the Organization are supplied in a productive and sustainable way by 2030, thus successfully conserving biodiversity. To achieve this, the Company will work on the implementation of the work plans formulated for the 16 road maps of the main commodities. These sheets include the development of capabilities related to competitiveness, supplier management, digital procurement, biodiversity, risk management, impact measurement, Human Rights, inclusive businesses and formalization in the chain.

Practices that stood out and acknowledgments

The Chocolates Business registered cocoa varieties before the Colombian Institute for Agriculture and Livestock (ICA)

The ICA granted Compañía Nacional de Chocolates the registration of the cocoa CNCh-12 and cocoa CNCh-13 vegetable materials, which have specific high yield and sensory quality characteristics. More than 15 years ago, the Chocolates Business started a thorough research process centered on the identification and evaluation of outstanding cocoa plantations for their productivity and quality attributes. With this initiative, the Business becomes the first private company that develops vegetable materials with differential organoleptic characteristics for the production of high-quality chocolate products with special flavors and aromas duly recorded in the ICA's National Registry of Commercial Cultivars, additionally strengthening Colombia's genetic wealth. This research was acknowledged by being selected as runner-up in Grupo Nutresa's Research Award 2021.

Partnerships for the sustainable sourcing of wheat

Tresmontes Lucchetti continued working on the program for the sustainable development of durum wheat in Chile in alliance with the National Agricultural and Livestock Research Institute (abbreviated INIA in Spanish), an initiative that has been maintained since 1988. In 2021, this Business Unit signed a covenant for the supply of certified seeds that guarantees the availability for the Chilean wheat farmers. In addition, 100% of the suppliers associated with the program have been included in the contract farming methodology, and they also abide by the statement of compliance with Grupo Nutresa's policies and data processing.

Sustainable management of integrated livestock farming

The Organization conducted the diagnosis of the production activity of 75 beef producers, which represent 95% of the total primary supply to the Cold Cuts Business. This study was undertaken with the support of the *Handbook of leading practices in the primary production of beef* created jointly with the World Wildlife Fund (WWF). In 2021, and within the framework of the Business Unit's integrated livestock farming model, the Company implemented a guide of strategic recommendations for environmental sustainability in the primary production of beef. This guide has allowed identifying opportunities related to leading environmental sustainability practices, such as: water management and conservation, silvopasture systems, the use of different forage species, erosion control and management of vegetation cover on soils. All these actions contribute to mitigating the emissions of greenhouse gases (GHG) and complying with the commitments for 2030 and all the related challenges facing the Company.

Involvement in the "Colombia Productiva" (Productive Colombia) program

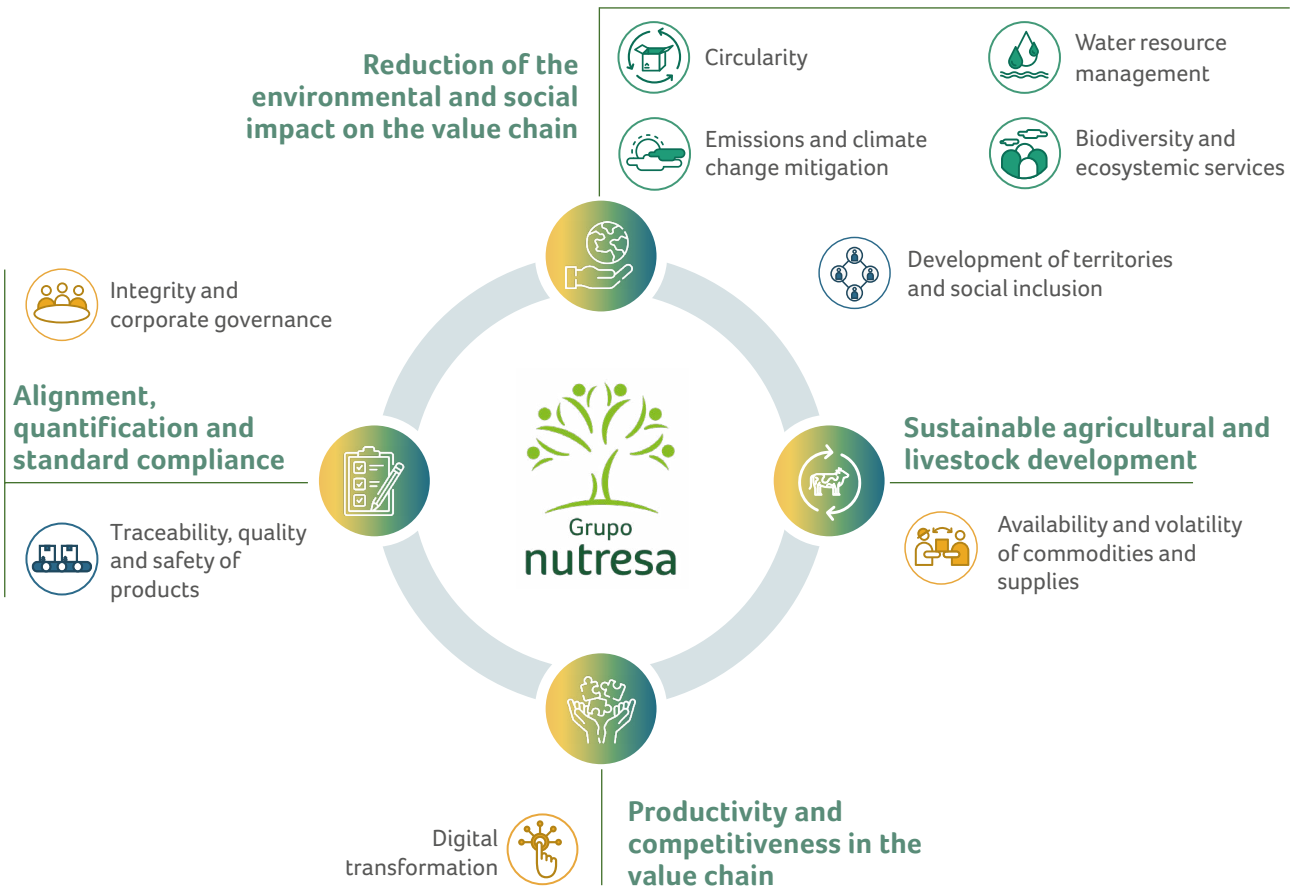
Through the initiatives titled "Fábricas de Productividad" (Productivity Factories) and "Alianzas para la Reactivación" (Partnerships for the reactivation of the plastics and food sectors), which are promoted by the "Colombia Productiva" (Productive Colombia) program, Grupo Nutresa got its suppliers of goods and services involved with the aim of developing capabilities related to product sophistication and manufacturing, business management, operational productivity, logistics, work productivity, environmental sustainability, energy efficiency and digital transformation. In 2021, a total of 42 suppliers participated in the third training cycle and 26 suppliers participate in the "Alianzas para la Reactivación" (Partnerships of the reactivation) program: 14 belong to the food sector and 12 to the plastics sector.

Material topic details

Responsible and productive sourcing model

[FB-AG-430A.3]

In line with its goals for 2030, Grupo Nutresa develops the capabilities of its suppliers based on the responsible sourcing model. It seeks to ensure the Organization's continuity, capitalize on opportunities and manage the risks that are not directly controlled by the Company by incorporating social, environmental and economic variables. The model comprises four management approaches that articulate the subjects of the Company's new materiality analysis.



Grupo Nutresa supports suppliers in their development through multiple strategies across the entire strategic region.

Alignment, qualification and compliance with standards

QUALIFICATION AND ENHANCEMENT OF CAPABILITIES

Grupo Nutresa strives to develop capabilities in the value chain, contribute to reducing its environmental impact, and generate the necessary skills to ensure the sustainability of the suppliers, the operations and the supply of the commodities.

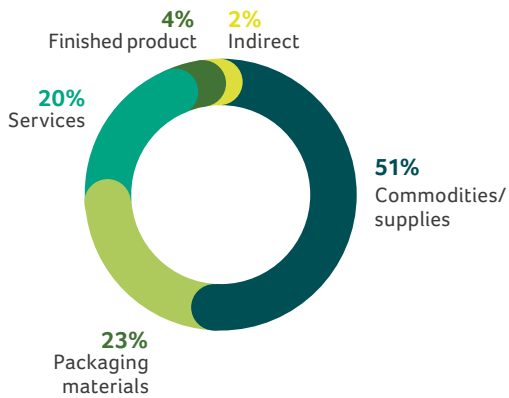
In 2021, more than 1.900 suppliers received training related to sustainability, quality and food safety. Additionally, the Company organized training sessions that included the participation of more than 19.000 suppliers of commodities, packaging materials, indirect materials and services. These events were focused on diverse topics, such as productivity, corporate governance, risk management and due diligence, and two of them were supported by the Colombian Institute of Technical Standards and Certification (also known as Icontec).

The event Open Space 2021 included the participation of 272 suppliers, which shared leading practices related to biodiversity, food sovereignty, digital transformation, climate change management, commercial reforestation and waste reduction in the manufacturing process of flexible packaging materials.

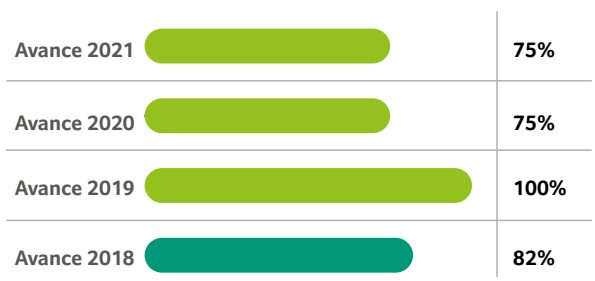
Along the same line, five strategic Costa Rican suppliers of commodities and packaging materials, which received training under the design thinking innovation methodology back in 2020, were able to reduce waste generation and the volume of materials used in their operations, thus demonstrating their commitment to environmental and economic sustainability of the organizations.

SUPPLIER ASSESSMENT AND AUDITING

The Organization conducted 458 supplier audits, 47 of which were sustainability audits, 358 dealt with integrated management systems and 53 were focused on commercial security. More than 90% of the total suppliers screened ranked at favorable levels, which enables them to supply goods and services.



The Organization ensures the evaluation for the pareto in the expenditure of critical suppliers in terms of sustainability based on the ten principles of the United Nations Global Compact and other evaluation mechanisms, which include self-evaluations, on-site audits or audits performed by a third party. The goal is to audit critical suppliers to cover at least 80% of the expenditure, with a validity term of three years or less.

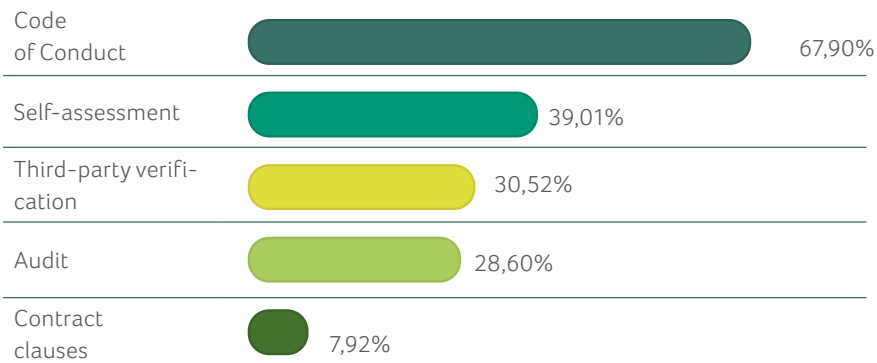


Critical supplier assessment

Supplier category	No. of suppliers	% of the total number of suppliers	% of the total expenditure in 2021
Critical in terms of sustainability	133	0,8%	**38%**
Critical in terms of integrated systems	136	0,9	**9%**
Total number of critical suppliers	269	1,7%	**47%**
Tactical	15.431	98%	**53%**
Total number of suppliers	15.700	100%	**100%**
Suppliers screened regarding sustainability	**No. of suppliers**	**% of the total number of suppliers**	**% of the total expenditure in 2021**
On a yearly basis	32	24%	**33%**
3-year plan	63	47%	**59%**
Screened under any mechanism	86	65%	**75%**
Total number of suppliers screened/assessed	**No. of suppliers**	**% of the total number of suppliers**	**% of the total expenditure in 2021**
Screened under any mechanism	189	70%	**74%**

SOURCING POLICY COMPLIANCE VERIFICATION MECHANISMS

Out of the 80% of the money amount of the purchases from direct suppliers of goods, Grupo Nutresa bought 60% from suppliers that, using some mechanism, have been screened or adhered to Grupo Nutresa's purchase guidelines.



Technical and training support to supplier communities in Colombia.

Environmental and social impact reduction in the sourcing chain.

SUPPLIER ACKNOWLEDGMENT PROGRAM

In the seventh edition of the Nutresa Exemplary Supplier acknowledgment event, 22 accolades were awarded in seven categories of goods and services. This initiative included 323 attendees and highlighted the work of the value chain, as well as the work of those companies that develop sustainability-related capabilities and contribute to the fulfillment of the Organization's strategic goals. In 2021, Panama was included in this program as a new geography. Additionally, accolades were awarded in four special categories, for a total of 19 supplier companies acknowledged.

Get to know the winners

MANAGEMENT OF SUSTAINABILITY-RELATED RISKS ASSOCIATED WITH COMMODITIES

Grupo Nutresa published a guide of sustainability actions for the primary production and sustainable supply of milk within the framework of the strategy for the sustainable sourcing of the commodities. This guide is the result of the study on the milk sourcing chain conducted jointly with the WWF between 2020 and 2021. This resource includes tools for good quality and sustainability practices, in addition to standards associated with the conservation of soils, water, biodiversity and other natural resources. The publication is intended for intermediary suppliers and primary milk producers.

Find out more about the guide

UPDATE OF THE SUSTAINABILITY RISKS

By means of external consulting services, Grupo Nutresa updated the identification and assessment of the sustainability-related risks in the goods and service procurement categories in Costa Rica. This study determines the categories and goods that present the highest risk or impact on the environmental and social sustainability of the sourcing chains in this country.

Employees from the Cold Cuts Business in Colombia.

Sustainable agricultural and livestock farming development

MEAT PROTEINS

To ensure the sustainability of the Cold Cuts Business, the Company established procurement continuity actions in the Colombian market for the pork and chicken categories using three strategies:

- Buying hedge and anticipated procurement
- Partnerships for the development of local suppliers with medium- and long-term agreements for the supply of chicken and pork cuts, with a fulfillment rate of 100% for 2021 with respect to the convened quantities.
- Continuity-based procurement with the purpose of mitigating the possible stockout of pork due to sanitary risks in the global market.

For the international market, the Organization established hedges for six months of consumption of pork supplies, which is a measure that will be maintained as long as there are sanitary risks due to the African swine fever. The Cold Cuts Business improved the biosecurity protocols regarding pork for the transport processes, as well as at all both proprietary and third-party farms, with the aim of protecting the production against an eventual outbreak of this disease in Colombia. In 2021, there was a 15% increase in the Company's own pig production.

On another note, to ensure its beef needs are adequately covered, the Organization increased the number of integrated suppliers by 30%, and included other geographic zones that will allow ensuring the supply of meat raw materials.

To guarantee the continuity of the Business through the operations at the Envigado production plant, the Company resorted to alternate suppliers that provide beef and pork carcass deboning services in order to cover 100% of the meat raw materials needs. In addition, the Business enhanced the production throughput for some meat byproduct items in its production nodes with the purpose of ensuring the availability to the market.

Based on the risk management methodology, the Organization conducted the corresponding business impact analysis with the purpose of identifying the main commodities (122) and suppliers (27) to focus the continuity plans on them as of 2022.

Cocoa farmer in the Colombian state of Cesar.

Promotion of cocoa

After 15 years of research, Compañía Nacional de Chocolates is the first Colombian private company that registers with the Colombian Institute for Agriculture and Livestock (abbreviated ICA in Spanish) two new cocoa cultivars (CNCh-12 and CNCh-13), with an excellent production behavior in the field and important organoleptic features that differentiate them for the preparation of high-quality chocolate products with special flavors and aromas.

In 2021, the Chocolates Business provided support to 120 productive partnerships that promote the competitiveness of the coca production sector in Colombia and benefited 18.843 families with 33.718 hectares (83.319 acres) of cocoa trees in 22 Colombian states. With the plant nursery program, the Company propagated and distributed 4.869.868 vegetable material units earmarked for new sowing processes, and for the renovation and rehabilitation of cocoa plantations. Moreover, based on its commitment to responsible sourcing, the Chocolates Business purchased 35.332 tons of 100% Colombian dry cocoa beans, 41,9% of which were bought directly from farmers associations and cooperative organizations.

With the technical communication and promotion strategy, the Organization created a production model for cocoa plantations, which comprises five chapters that propose a sustainable cocoa growing process in the diverse Colombian territories. In total, 1.372.641 text messages were sent to 16.756 agents from the value chain containing key information for the agronomic management of cocoa plantations.

In partnership with Développement International Desjardins (DID), Grupo Nutresa developed a financial education strategy for the cocoa farmer families with the purpose of enhancing their capabilities in relation to management, leadership, negotiation and funding, laying particular emphasis on the rural youth and women. This strategy included a pedagogical manual, on-site workshops in the territories, a podcast and audiovisual materials, which contribute to a more efficient management of the production units. Along the same line, as part of an alliance with the Bancolombia Foundation and DID, the Organization deployed the program called “Cuentas sin Cuento,” which is another financial education initiative in a digital format that benefited 160 producers.

Click here to find more information and check the manuals and handbooks

Coffee farmer and participant of the PFC productivity project in the Colombian state of Santander.

Promotion of coffee

Despite the challenges facing the supply chain in 2021, the Coffee Business maintained its commitment to adding value to society by conserving its Fairtrade, Rainforest and Organic seals, and implementing programs such as the Farallones coffee processing plant, which benefited 650 families through the development of capabilities with the aim of improving the quality of life of the coffee farmers, taking care of the environment, reducing costs and improving the productivity of the plantations.

Additionally, thanks to partnerships and negotiations with international clients, the Company has transferred resources amounting to more than COP 95.126 million since the beginning of the Fairtrade program. The social premium transferred to the associations and cooperative organizations is used to invest in social services, environmental projects, leading agricultural practices, quality, mitigation of risks caused by COVID-19 and all other projects covered by this certification in the coffee growing communities. The following chart shows the evolution of the social premiums transferred over the past three years:

	2019	2020	**2021**
Beneficiary communities	19	32	**47**
Premiums paid plus surcharge (COP million)	19.206	16.226	**17.140**

Support activities carried out with durum wheat suppliers in Chile.

Wheat

Tresmontes Lucchetti continued working on the durum wheat sustainable development program. In 2021, this Business Unit added a new covenant to the agreement entered into with the National Agricultural and Livestock Research Institute (abbreviated INIA in Spanish) in order to include the supply of certified seeds, thus guaranteeing the corresponding availability for the farmers.

In the context of inclusion-driven business, the Company incorporated 11 small producers into the sourcing processes and provided training through knowledge transfer field days and virtual technical talks. Additionally, the Organization joined a small supplier program with the Agricultural and Livestock Development Institute (also known as Indap), and carried out nine webinars for all the producers to deal with topics related to leading agricultural practices and transparency.

In the field of innovation, Grupo Nutresa implemented the emission of digital contracts with electronic signature, developed new local durum wheat production zones to improve the sourcing process, and ventured into the incorporation of new Argentinian durum wheat producers.

Finally, the business relationship with 100% of the suppliers in Chile is governed by the contract farming methodology; therefore, they are covered by the statement of sustainability and compliance with Grupo Nutresa's policies and data processing.

The following were the main actions taken to ensure business continuity and price competitiveness regarding other supplies:

Sugar

- Development of suppliers in new geographies who meet the requirements and standards.
- Standardization of materials, substitutes and combinations of supplies.
- Protection by increasing buffer stock.
- Longer term contracts with stabler price negotiations.

Milk

- Diversification of suppliers in other geographies.
- Local procurement.
- Physical hedging (locally and internationally) and financial hedging through accumulators, options and futures.
- Protection of the unhedged part with physical purchases and in the financial hedging at an objective level.

Oils

- Anticipated physical hedging in the regions where the sourcing chain allows it.
- The Company expects to purchase the unhedged part at an objective level of financial hedging, according to the future prices of the stock exchange trades.

COP 7,3 trillion

is the total amount of Grupo Nutresa's purchases, resulting from its commercial relations with 15.700 suppliers.

Productivity and competitiveness in the value chain

STRATEGIC SOURCING

Grupo Nutresa's total purchases amounted to COP 7,3 trillion as the result of its commercial relations with 15.700 suppliers. Additionally, the Organization achieved savings for approximately COP 98.108 million by means of the strategic sourcing methodology, which gave rise to 511 initiatives that improve the Company's negotiation competitiveness, as well as its goods and service sourcing processes.

PRICE VOLATILITY MANAGEMENT

For each one of the main commodities, Grupo Nutresa conducted the analysis on cost drivers and trends, strategies that include protecting its performance, resorting to financial hedges and supplying the unhedged part. The objectives are delimited by policies that include:

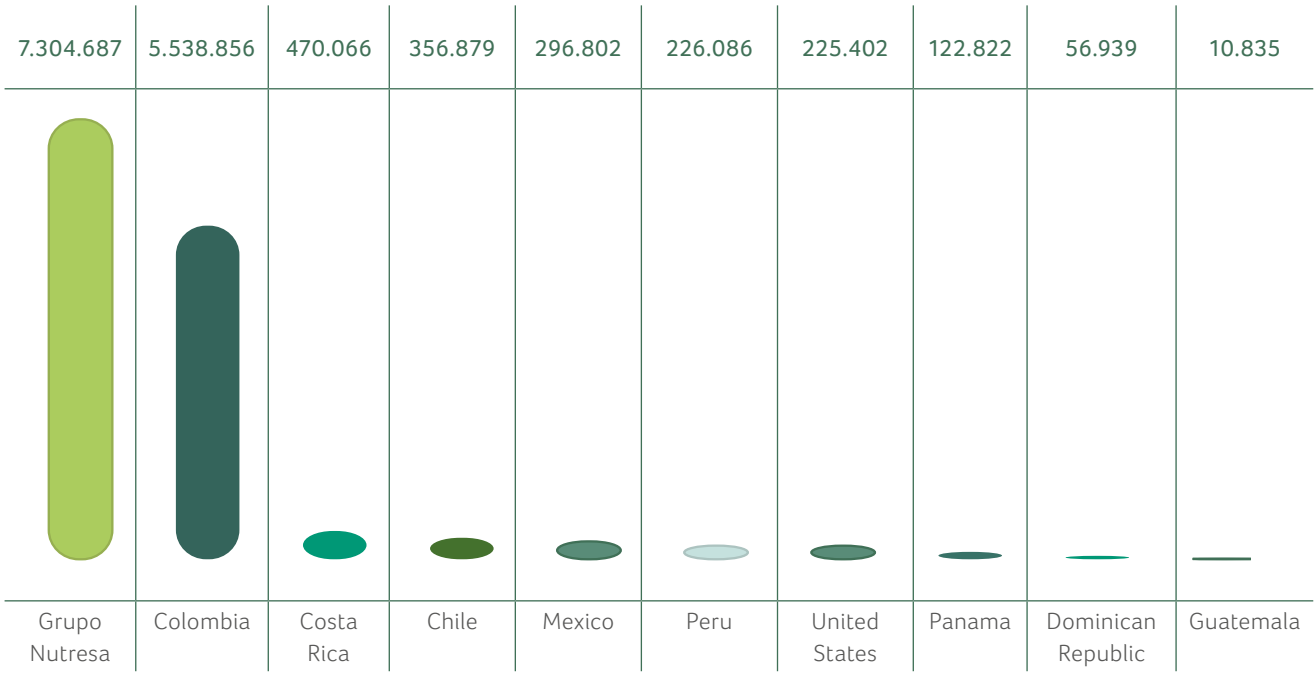
- Eliminating the uncertainties regarding free cash flow.
- Mitigating the effect on the commodity price variations.
- Reducing the effect of volatility.
- Securing the estimated prices and transferring the risks without speculating.

Some of the main factors that affect the cost are: the offer, the demand, political changes, the climate, currencies, logistics, quality-based premiums or the speculative participation of investment funds and indices. These aspects are constantly analyzed by Grupo Nutresa for the main supplies: wheat, coffee, cocoa, sugar, oils, milk, pork, beef, imported chicken, plastic resins and packaging materials. The purpose of the analysis is to review the effect on both the EBITDA and the index, which in turn reflects the effect of the commodities on the Company's rate.

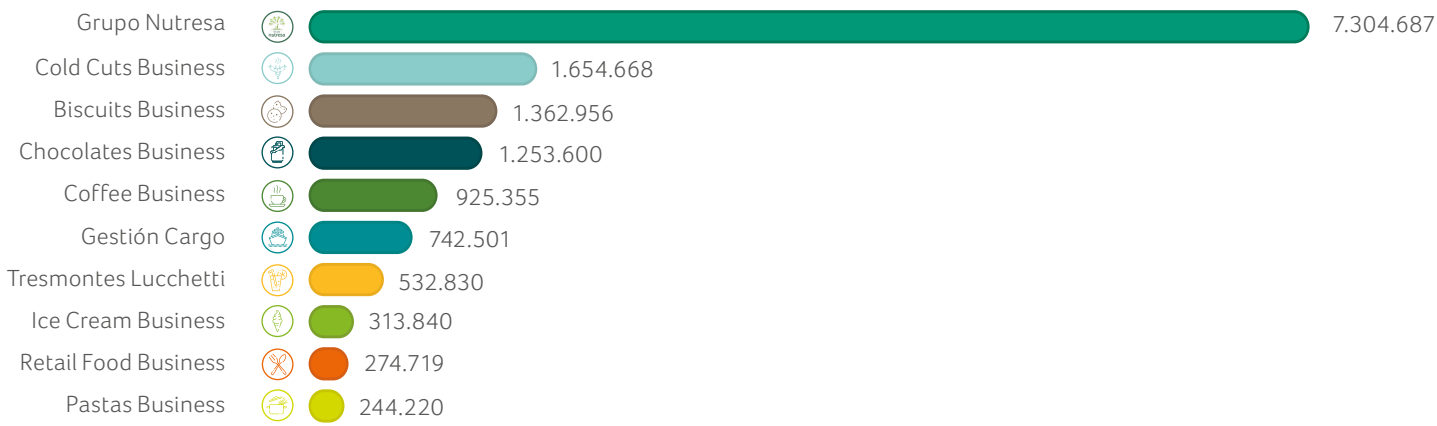
STANDARDIZATION OF SUPPLIES FOR ENSURING THE CONTINUITY OF THE OPERATIONS

The development of supply alternatives, as a consequence of the work carried out on the processes related to logistics, research and innovation, has been a key strategy over the past two years. In 2021, the Company ensured the continuity of the operation of one of the main production lines of the Biscuits Business in Colombia during the social protests by replacing liquid eggs with powdered eggs. This measure allowed securing economic benefits arising from the negotiation and the decrease in the operating expenses related to the storage, transport and quality control costs, which are associated with the supply's longer service life span. Moreover, the Organization worked on more than ten procurement categories, such as dairy products, sweetening agents, proteins, starches, phosphates, packaging materials and services.

Grupo Nutresa's local purchases (COP million) [GRI 204-1]

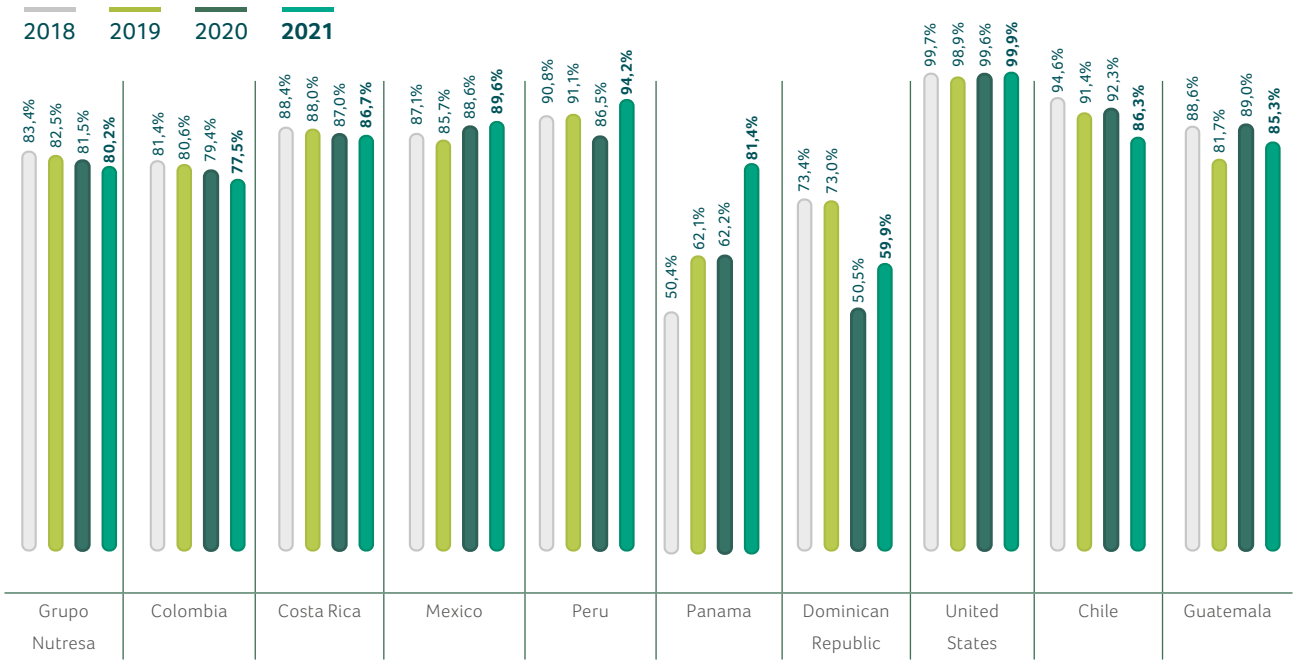


Grupo Nutresa's local purchases - by Business Unit



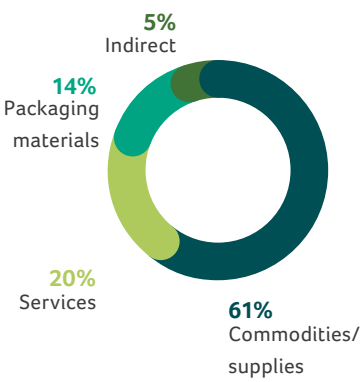
Annual purchases by Business. The marketing companies, the fixed assets, and the Organization's own finished and marketable products are not included.

Grupo Nutresa's local purchases [GRI 204-1]



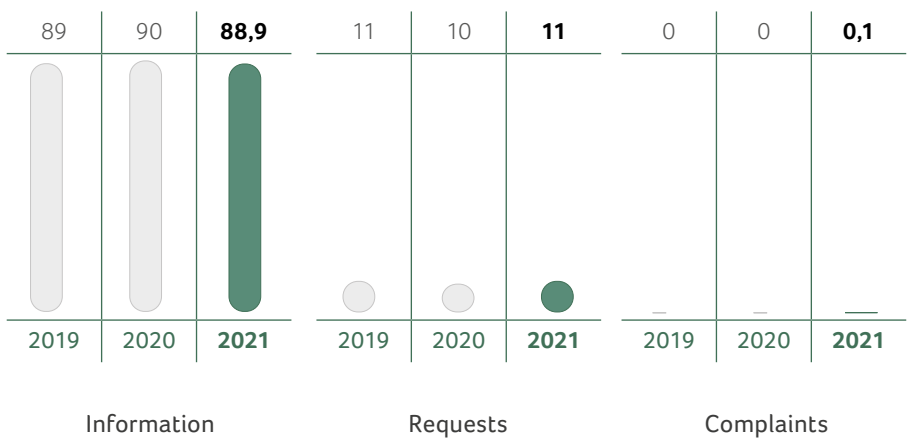
* Includes commodities, raw materials, packaging materials, indirect purchases and services. The marketing companies, the finished products and the fixed assets are not included. Note: Local suppliers are those located in each country where the Organization runs significant operations (transformation operations).

Grupo Nutresa's total procurement in 2021 by type of supplies



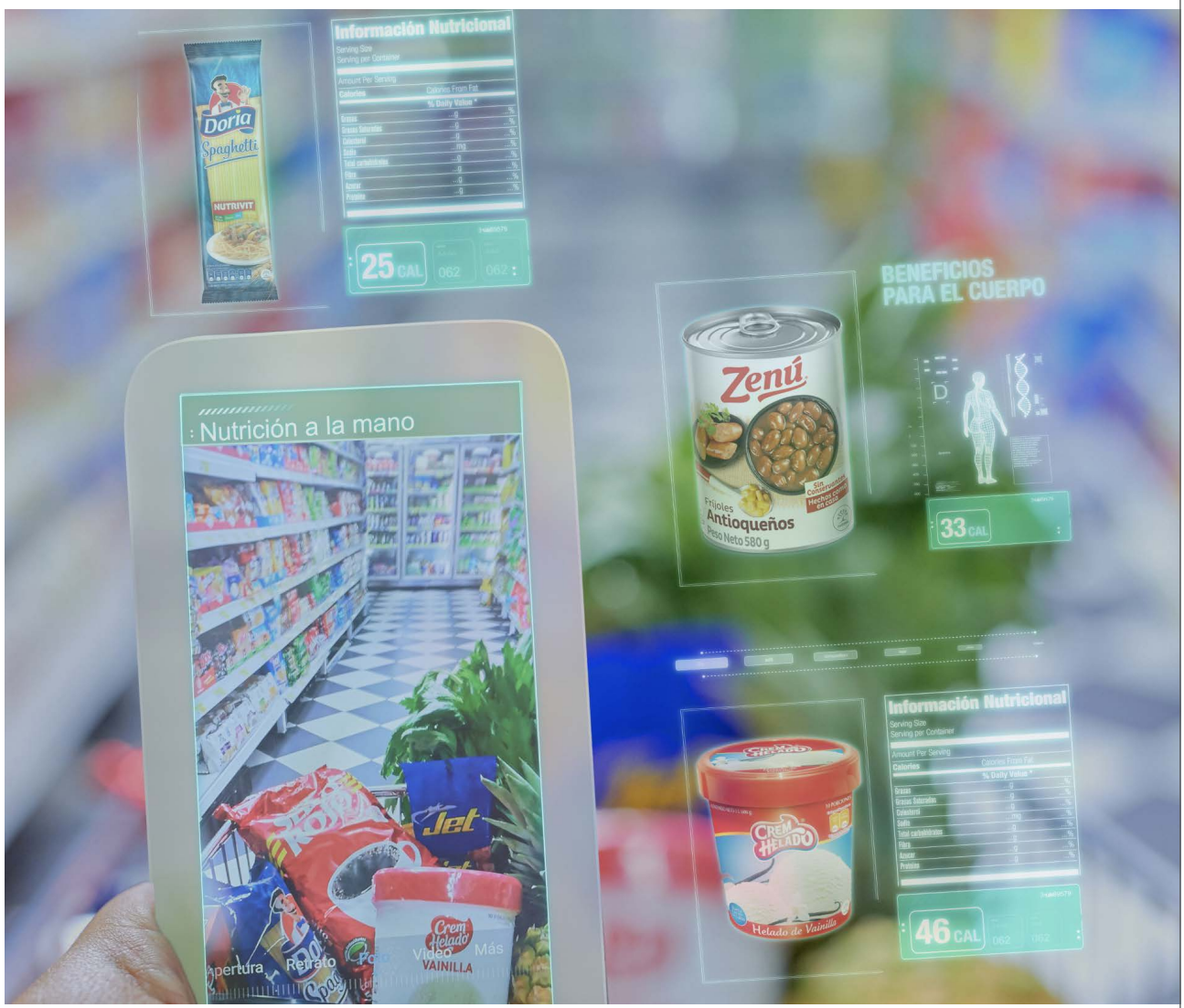
Support and service provided to suppliers

The Company addressed 23.448 cases through its supplier service lines. From these total cases, 4.824 were related to web portal services, and 5% were escalated for promptly settling them.



Digital transformation

Incorporating capabilities based on digital services, taking as a starting point the cultural transformation, the development and adoption of new technologies, the identification of new business models, the development of the value chain, and the evolution of both data and analytics.



Grupo Nutresa boosts the market entry processes through digital channels / e-commerce.

Management approach [GRI 3-3]	**Progress achieved in 2021** [GRI 3-3]
Developing and incorporating into the Organization new capabilities based on digital services.	• 168 leaders received training related to adaptability and innovation, thus strengthening the development of learning experiences regarding technologies and work models of the industry 4.0. • Execution of the Third Fair of New Technologies and Digital Experience, which included more than 90 training activities, 8.000 hours of training and more than 2.800 participants. • Development of capabilities related to analytics focused on people, processes and technologies.
Exploring and adopting new technologies.	• Implementation of the centralized information repository (data lake). • Creation of a platform intended to digitize the interaction with suppliers. • Automation of administrative tasks via robotic process automation (RPA). • Development of exoskeletons in the Cold Cuts Business, drones for inventory management in the Pastas Business, and 3D printing of spare parts in Novaventa. • 60 cases of use related to the internet of things, artificial intelligence with *machine learning, chatbots,* cases of robotic process automation, drone technology, *blockchain*, food 3D printing, virtual reality and augmented reality.
Boosting the market entry processes through digital channels*/e-commerce.*	• Experience design and support for more than 20 e-commerce platforms in the strategic region, contributing to the fulfillment of the 20%-digital-sales goal. • Design of the model of home deliveries to consumers for the digital platforms. • Consolidation of the digital client service in Colombia and United States. • Application of digital solutions for the traditional channel, thus improving the relationship with clients and their development process. • Implementation of artificial intelligence models that ensure the presence of Grupo Nutresa's portfolio at the points of sale. • Strengthening of the social *selling* model for sales through individual entrepreneurs.
Guaranteeing the data privacy and security for all consumers, shoppers, clients and customers.	• Progress was made in the identification and management of the data security risks based on the Information Security Policy through training and awareness-raising activities for employees. **[FB-FR-230a.2] [CG-EC-230a.1]** • Implementation of means for monitoring and controlling the substantiated complaints concerning breaches of client privacy and losses of client data. No cases in this regard were reported in 2021. **[GRI 418-1]**

Exploration of new technologies at Servicios Nutresa in Colombia.

Risks and opportunities [GRI 3-3]

The emergence of new digital service agents and competitors in the value chain represents a significant challenge for Grupo Nutresa. However, the Organization has successfully managed this challenge by developing the human talent, fostering the evolution of the work models, and enabling an increasingly flexible stance in the processes that respond to the changing needs of both consumers and clients. This challenge is also an opportunity to keep enhancing the skills of the commercial teams, boosting the knowledge on client management, ensuring the participation of the brands, the sales and the experience, and improving the interaction with consumers and securing their loyalty through direct channels.

Another challenge for the Organization is to identify business possibilities based on digital services, which would entail the identification of the opportunities of the market. To achieve this, Grupo Nutresa enabled a network of experts who develop models that recognize market impact variables and generate actions on micro-segments.

Finally, the risks associated with loss in storage, frauds and cyberattacks are inherent in the digital services, therefore, conserving the confidentiality and the ethical management of information are priority actions with regard to the responsibility towards the stakeholders and the engagement with them. Therefore, the Company has already implemented methodologies and technologies that are part of its risk management system.

Outlook

One of Grupo Nutresa's commitments for 2030 is to generate 20% of its revenue through digital sales. To fulfill this commitment, it is necessary to develop new digital channels for each client segment, consolidate the media for the institutional channel and with the direct-sale entrepreneurs, and continue enhancing the sales force's skills and capabilities with the purpose of improving the experience for consumers and clients at the points of sale.

In addition, the Organization will continue guaranteeing the presence, experience and profitability of the sales in digital channels, laying particular emphasis on the restaurants in order to ensure the brands' values.

Finally, the implementation of new technologies in the supply chain will improve the control and effectiveness of the processes currently in place. Furthermore, the Company will keep strengthening the long-term relationships with suppliers by means of digital platforms that ensure a broader interaction and access to the information, in addition to better collaborative and traceability-related practices.

Practices that stood out and acknowledgments

Control center at Opperar in Colombia.

Digital transformation acknowledgment in the 2021 'Portafolio' Awards

Colombian magazine *'Portafolio'* awarded Grupo Nutresa this acknowledgment in the digital transformation category for exceeding the expectations and averages of its own sectors and settings in this field. This accolade underscored the Retail Food Business as a case of success for its digital brand Vi Bowls and the development of the delivery model.

Material topic details

Grupo Nutresa seeks to develop and incorporate new capabilities based on digital services, taking as a starting point the cultural transformation, the exploration and the development of technologies from the industry 4.0, data and analytics, evolution of the support processes, development of the value chain, distribution centered on clients and shoppers, brands that are easily accessible to consumers, shoppers and customers, and new business models.

Throughout 2021, the Organization made significant progress in the following fields:

Cultural transformation

The Company implemented a strategy focused on learning about technologies and work models of the industry 4.0 to ensure the development of capabilities. In this sense, 168 leaders received training related to adaptability and innovation with the purpose of incorporating new ways of working. Additionally, as part of the development of digital capabilities, the Organization created 46 learning programs and build a learning hub for providing training related to 4.0 technologies such as RPA, chatbots, 3D printing, internet of things, artificial intelligence and blockchain in Colombia, Chile, Mexico, Venezuela, the Dominican Republic, Panama, Peru and Central America.

On another note, Grupo Nutresa organized the Third Fair of New Technologies and Digital Experience, which included more than 90 activities for employees, who received approximately 8.000 hours of training related to digital culture and experience, analytics, agile culture and cases of use of new technologies, thus providing inspiration to more than 2.800 participants.

Moreover, the Company helped to develop the commercial teams' capabilities in order to incorporate digital concepts in the new platforms for clients, shoppers and consumers, and continued attracting expert talent in subjects like digital entrepreneurship, digital service design, new technologies, digital development, data science, user experience (UX), interface design (UI), marketing and digital *trade*.

Exploration and adoption of new technologies

Grupo Nutresa laid emphasis on the strengthening of the model for exploring and internalizing new technologies with the evaluation of cases of use and the search for opportunities to increase both competitiveness and productivity. Thus, the Organization developed across all geographies more than 60 cases of use related to the internet of things, artificial intelligence with *machine learning, chatbots,* cases of robotic process automation, drone technology, *blockchain*, food 3D printing, virtual reality and augmented reality. In addition, the Company monitored technologies such as *digital twins, drone delivery, wearables,* holography, 5G, quantum computing and 4D printing.

All the processes focused on the exploration and adoption of new technologies are executed with the support of the regional science, technology and innovation ecosystem, which is formed by research centers, laboratories, universities, business incubators and entrepreneurs.

New business models

Grupo Nutresa works on identifying assets that have the potential to transform processes and create monetization opportunities. These assets include the necessary digital services for the generation of communities between consumers and shoppers, as well as their activation at the points of sale, information about consumers' buying habits and *social selling* models.

Consequently, the Organization continued enhancing the engagement with clients (B2B), exhibiting a 1,3X growth in digital sales with regard to 2020 (1,4X = 36.6%).

For the institutional channel, the Company developed virtual stores for low-assistance-frequency clients where the presence of sellers is not required. For the rest of the clients from this channel, models with personalized seller assistance were also established. In the context of direct sales, Grupo Nutresa created a digital platform for issuing orders and providing access to services for the individual entrepreneurs and their community.

Along the same line, in shops and minimarkets, the Company implemented Pideky, a mobile app for shopkeepers that promotes self-management and improves the relationship between the client and the brands. This mobile app allows shopkeepers to get additional services that contribute to the growth of their businesses, while the sales force focuses on the management of the point of sale.

In addition, the Organization also consolidated the service provided to specialized digital clients in Colombia and United States, which has enabled the expansion of the brands' presence. Thus, Grupo Nutresa combined the traditional business management capabilities with tactical skills for managing virtual points of sale with digital and lo-

gistics models for last-mile deliveries and the creation of contents for consumers. Moreover, the Company implemented point-of-sale measurement by means of artificial intelligence for the Crem Helado brand in Colombia and Pozuelo in Costa Rica, in addition to designing pilot tests for Cordialsa in Ecuador and Panama.

Furthermore, the Organization strengthened its relationship with consumers (B2C) through proprietary and third-party channels, and achieved a 63,5% growth value regarding Grupo Nutresa's total sales, with a 1,6x growth in relation to 2020. The Company has also implemented more than 20 consumer *e-commerce* platforms in the strategic region with the purpose of generating more sales and offering better experiences and contents to consumers.

The Retail Food Business created digital sales channels that represented 20,5% of the restaurants' total sales, with a 23,2% growth when compared to 2020. In Colombia, Grupo Nutresa's first 100% digital restaurant brand was created: Vibowls.

Development of the value chain

The Organization incorporated new technologies in its Business Units, which allowed their expansion to the rest of the Company. Thus, exoskeletons were used in the Cold Cuts Business, as well as drones for inventory management in the Pastas Business and 3D printing for manufacturing spare parts in Novaventa. In the field of secondary logistics, dynamic routing tools were implemented to optimize the fleet, and the Integrated Distribution Control Center was consolidated, focusing on the monitoring of routes, deliveries and descriptive analytics. Additionally, a supplier procurement model was developed to improve the profitability in the procurement of commodities, their traceability and sustainability. The model has a scope of more than 12.000 strategic partners.

Data and analytics

Grupo Nutresa strives to work on the development of analytics-based capabilities centered on data engineering and science among the employees with the aim of supporting the decision-making process. The Organization built a network of more than 200 experts with the objective of creating models that identify variables of impact on the market. Additionally, the Company is developing augmented analytics skills among 80 employees.

Moreover, Grupo Nutresa enabled the information repository (data lake), which is the basis for the implementation of tools such as *data labs*, *machine learning* and better development practices (MLOps).

The Organization also established means for monitoring and controlling the substantiated complaints concerning breaches of client privacy and client data leaks **[GRI 418-1]** (no related cases were reported in 2021). In 2022, processes will be designed to manage the user information that is used with secondary purposes. **[CG-EC-220a.1]**

On another note, Grupo Nutresa has consolidated the description of the policies and practices related to advertising based on users' behavior and privacy **[CG-EC-220a.2]**. These policies and practices are implemented on two fronts: firstly, each digital service publishes the corresponding policies of use, which are subjected to the user's approval; and secondly, the suppliers of digital services make use of thorough data use policies with the respective consent of all audiences.

The Company has also established the description of the approach for identifying and addressing the risks associated with data security **[CG-EC-230a.1]**. These actions are carried out by performing the prioritization of the vulnerabilities. In addition, the Organization created the Information Security Policy and supplemented it with training and awareness-raising activities for the employees.

Employee from the Chocolates Business, Colombia.

Financial Statements

Grupo Nutresa makes progress in the development of sustainable nutrition proposals.

Úmbita, state of Boyacá, Colombia.

Consolidated Financial Statements

Separate Financial Statements

Consolidated Financial Statements

Statutory auditor's report on the consolidated financial statements

(Free translation from the original in Spanish)

To the Shareholders of
Grupo Nutresa S. A.

Opinion

I have audited the accompanying consolidated financial statements of Grupo Nutresa S. A. and its subsidiaries, which include the consolidated statement of financial position as at December 31, 2021, and the consolidated statements of comprehensive income, changes in the shareholders' equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of the significant accounting policies.

In my opinion, the accompanying consolidated financial statements, faithfully taken from the consolidation records, present fairly, in all material aspects, the financial position of Grupo Nutresa S. A. and its subsidiaries as at December 31, 2021, 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 financial reporting auditing standards accepted in Colombia. My responsibilities in accordance with these standards are described below in the section of the Statutory Auditor Responsibilities with respect to the audit of the consolidated financial statements of this report.

I am independent of Grupo Nutresa S. A. and its subsidiaries in accordance with the Code of Ethics for Professional Accountants in the International Ethics Standards Board for Accountants (IESBA) together with the requirements of ethics that are applicable to my audit of the consolidated financial statements in Colombia, and I have complied with the other responsibilities of ethics in accordance with these requirements and with the Code of Ethics of the IESBA.

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

Emphasis of matter

I draw attention to Note 22.4 to the financial statements, which states that the Grupo Nutresa, pursuant to Decree 1311 dated October 20, 2021, has chosen to recognize directly in equity the changes in deferred taxes generated by the increase in the income tax rate enacted by Act 2155 - Social Investment Act, dated September 14, 2021, affecting retained profits with an expense amounting to $57.783 billion and not the income of the period, as set forth in IAS 12 - Income taxes. My opinion is not changed on this matter.

To the Shareholders of Grupo Nutresa S. A.

Key audit matters

The key audit matters are those matters that, in my professional opinion, have been of the greatest significance in my audit of the consolidated financial statements of the period. These matters have been addressed in the context of my audit of the consolidated financial statements as a whole and in the formation of my opinion on these, and I do not express a separate opinion on these matters.

Key audit matter	How the key matter was addressed in the audit
Capital gains The capital gains generated as a result of the different business combinations that the Group has performed in the countries in which it operates are participate significantly in the total assets of Grupo Nutresa S. A. as of December 31, 2021, as detailed in Note 20, capital gains amount to $2.4 trillion. To determine if there is impairment, the management of Grupo Nutresa S. A. performs an annual assessment or when there are changes in circumstances or events indicating that the accounting value may not be fully recoverable. As described in Notes 3.3.1 and 3.3.11, the determination of recoverable value is performed by calculating fair value minus the disposal costs of the cash generating units to which the capital gains are associated, based on strategic plans approved by the Board of Directors of the Group. This determination is a key audit matter, because it corresponds to a complex calculation that requires the use of a high degree of judgment in estimating key assumptions, such as revenue growth, expenses, costs, evolution of operating margin, investment in CAPEX, discount rate, and more. These assumptions can be significantly affected by the future evolution of the macroeconomic, competitive, regulatory environment in each country where the Grupo Nutresa S.A. operates.	I have performed audit procedures, with the collaboration of valuation experts on the process carried out by the management of Grupo Nutresa S. A. to determine the recoverable value of the cash generating units to which capital gains are associated. The procedures performed include: - - Understanding meetings of the financial model used by the management of Grupo Nutresa S. A. to determine the recoverable value of the cash generating units. - Verification of the consistency of data used for the calculation of fair value minus disposal costs with strategic plans approved by the Board of Directors of Grupo Nutresa S. A. - Analysis of compliance with strategic plans approved in the previous year. - Evaluation of the key assumptions used to the determination of recoverable value, questioning their reasonableness and consistency, for which I have conducted tests to verify those assumptions against market information. - - Review of the mathematical integrity of the calculation and realization of sensitivities on the relevant variables.

To the Shareholders of Grupo Nutresa S. A.

Other information

The Management is responsible for the other information. The other information includes the business group special report, legal provisions, and evaluation on the performance of the systems of disclosure of information and control of financial information we obtained prior to the date of this audit report, but does not include the financial statements, neither my reports as a statutory auditor, nor the management report on which I pronounce in my opinion about separate financial statements in the section “Report regarding other legal and regulatory requirements” in accordance with the requirements defined in Article 38 of Act 222 of 1995.

My opinion on the financial statements does not cover the other information and I do not express any form of conclusion that would provide a degree of assurance about it. With regard to my audit of the financial statements, my responsibility is to read the other information and, in so doing, consider whether there is a material inconsistency between the other information and the financial statements or the knowledge I have obtained in the audit or whether there appears to be a material misstatement in the other information for any other reason. If, based on the work I have done, I conclude that there is a material misstatement in this other information, I am obliged to report it. I have nothing to report on this.

Responsibilities of the management and managers on the consolidated financial statements

The management is responsible for the adequate preparation and fair presentation of these accompanying consolidated financial statements, in accordance with the accounting and financial reporting standards accepted in Colombia, and for the internal control as the management determined necessary for the preparation of these consolidated financial statements to be free from material misstatement due to fraud or error.

In the preparation of consolidated financial statements, the management is responsible for the assessment of the ability of the Group to continue as a going concern, revealing, as appropriate, any matters relating to the ongoing concern principle, and using the accounting going concern principle, except if the management intends to liquidate the Group or to cease its operations, or that there is no more realistic alternative than to do so.

The managers are responsible for the oversight of the financial reporting process of the Group.

Responsibilities of the statutory auditor regarding the audit of the consolidated financial statements

My objective is to obtain a reasonable assurance that the consolidated financial statements, as a whole, are free from material misstatement, due to fraud or error, and to issue an audit report that contains my opinion. “Reasonable assurance” is a high degree of assurance, but it does not guarantee an audit conducted in accordance with the financial reporting auditing standards accepted in Colombia always detects a material misstatement when it exists. The misstatements may be due to fraud or error and are considered material if, individually or in aggregate, it is possible to anticipate that they influence the economic decisions made by users based on the consolidated financial statements.

To the Shareholders of Grupo Nutresa S. A.

As part of an audit in accordance with the financial reporting auditing standards accepted in Colombia, I apply my professional judgment and maintain an attitude of professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement in the consolidated financial statements, due to fraud or error; design and apply audit procedures to respond to these risks; and obtain sufficient and appropriate audit evidence to provide a basis for my opinion. The risk of not detecting a material misstatement due to fraud is higher than a material misstatement due to error, because fraud may involve collusion, counterfeiting, deliberate omissions, intentionally wrong manifestations or internal control circumvention.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Assess the appropriateness of accounting policies applied, reasonableness of accounting estimates and the corresponding disclosures performed by the management.

- Conclude on the appropriateness of the use by the management of the accounting going concern principle and, based on the audit evidence obtained, I conclude on whether or not there is a material uncertainty related to events or conditions that can generate significant doubts about the ability of the Group to continue as a going concern. If I conclude that there is a material uncertainty, it is required to draw the attention on my audit report on the related information disclosed in the consolidated financial statements or, if those disclosures are not adequate, I express a modified opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, facts or future conditions may cause the Group to cease being a going concern.

- Assess the overall presentation, structure and content of the consolidated financial statements, including the information disclosed, and whether the consolidated financial statements represent transactions and underlying facts so that the fair presentation is achieved.

I communicate to the managers, any issues related to scope and timing planned of the audit and significant findings of the audit, as well as any significant internal control weaknesses I identify in the course of the audit.

(Original in Spanish signed by:)

Juber Ernesto Carrión
Statutory Auditor
Professional card No. 86122-T
Appointed by PwC Contadores y Auditores S.A.S.
February 24, 2022

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:

24 of February of 2022

That the Consolidated Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2021 and 2020, 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.

Carlos Ignacio Gallego Palacio
President

Certification of the Financial Statements

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

CERTIFY:

24 of February of 2022

We have previously verified all claims, herewith contained, in the Consolidated Financial Statements, at December 31st, 2021 and 2020, according to, the regulations, and the that same have been faithfully taken, from the Financial Statements of the Parent Company, and its subsidiaries, duly certified and audited.

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

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

Carlos Ignacio Gallego Palacio
President

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

Consolidated Statement of Financial Position

As of December 31st (values expressed in millions of Colombian Pesos)

ASSETS	Notas	2021	2020
Current assets			
Cash and cash equivalents	9	$ 862.706	$ 933.564
Trade and other receivables, net	10	1.382.671	1.191.711
Inventories	11	1.742.562	1.379.984
Biological assets	12	191.894	127.614
Other assets	13	414.755	228.087
Non-current assets held for sale	14	177	177
Total current assets		**$ 4.594.765**	**$ 3.861.137**
Non-current assets			
Trade and other receivables, net	10	44.332	26.548
Biological assets	12	19.484	-
Investments in associated and joint ventures	15	217.821	196.498
Other financial non-current assets	16	3.028.203	2.678.991
Property, plant and equipment, net	17	3.676.931	3.434.206
Right-of-use assets	18	763.438	829.563
Investment properties	19	8.740	9.056
Goodwill	20	2.445.723	2.369.706
Other intangible assets	21	1.355.126	1.303.838
Deferred tax assets	22.4	781.829	740.891
Other assets	13	20.091	87.447
Total non-current assets		**$ 12.361.718**	**$ 11.676.744**
TOTAL ASSETS		**$ 16.956.483**	**$ 15.537.881**
LIABILITIES			
Current liabilities			
Financial obligations	23	178.658	486.736
Right-of-use liabilities	24	107.253	126.727
Trade and other payables	25	1.758.083	1.283.494
Tax charges	22.2	230.484	240.011
Employee benefits liabilities	26	246.285	217.033
Provisions	27	1.674	3.450
Other liabilities	28	105.600	83.209
Total current liabilities		**$ 2.628.037**	**$ 2.440.660**
Non-current liabilities			
Financial obligations	23	3.162.832	2.865.638
Right-of-use liabilities	24	719.174	747.296
Employee benefits liabilities	26	199.827	196.244
Deferred tax liabilities	22.4	1.195.928	1.020.416
Provisions	27	5.918	5.909
Other liabilities	28	2.654	4.576
Total non-current liabilities		**$ 5.286.333**	**$ 4.840.079**
TOTAL LIABILITIES		**$ 7.914.370**	**$ 7.280.739**
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	4.146.310	4.003.255
Other comprehensive income, accumulated	31	3.593.618	3.070.019
Earnings for the period		676.879	575.441
Equity attributable to the controlling interest		**$ 8.965.940**	**$ 8.197.848**
Non-controlling interest	30.4	76.173	59.294
TOTAL SHAREHOLDER EQUITY		**$ 9.042.113**	**$ 8.257.142**
TOTAL LIABILITIES AND EQUITY		**$ 16.956.483**	**$ 15.537.881**

The Notes are an integral part of the Consolidated Financial Statements

Carlos Ignacio Gallego Palacio
President

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

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

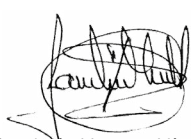
Consolidated Comprehensive Income Statement

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

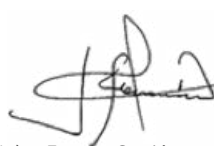
	Notas	2021	2020
Continuing operations			
Operating revenue	7.1	$ 12.738.271	$ 11.127.541
Cost of goods sold	32	(7.610.884)	(6.465.128)
Gross profit		$ 5.127.387	$ 4.662.413
Administrative expenses	32	(547.290)	(483.735)
Sales expenses	32	(3.281.883)	(2.962.563)
Production expenses	32	(230.055)	(208.969)
Exchange differences on operating assets and liabilities	34	28.100	11.532
Other operating income, net	33	9.038	910
Operating profit		$ 1.105.297	$ 1.019.588
Financial income	35.1	33.464	24.022
Financial expenses	35.2	(241.076)	(282.878)
Dividends	16	67.790	69.271
Exchange differences on non-operating assets and liabilities	34	23.055	(10.779)
Share of profit of associates and joint ventures	15	(1.013)	(4.472)
Other incomes		-	581
Income before tax and non-controlling interest		$ 987.517	$ 815.333
Current income tax	22.3	(238.894)	(261.210)
Deferred income tax	22.3	(24.162)	30.274
Profit after taxes from continuous operations		$ 724.461	$ 584.397
Discontinued operations, after income tax	36	(31.207)	(553)
Net profit for the period		$ 693.254	$ 583.844
Profit for the period attributable to:			
Controlling interest		$ 676.879	$ 575.441
Non-controlling interest		16.375	8.403
Net profit for the period		$ 693.254	$ 583.844
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian pesos)		1.474,85	1.250,62
(*) Calculated on 458.948.033 shares (2020 - 460.123.458 shares)			
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit and loss:			
Gains on actuarial defined benefit plans	26-31	$ 5.174	$ 2.545
Equity instruments, measured at fair value	16-31	288.138	(843.345)
Income tax from items that will not be reclassified	22.4	(5.375)	(1.808)
Total items that are not subsequently reclassified to profit and loss		$ 287.937	$ (842.608)
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of associate and joint ventures	15-31	11.264	3.227
Exchange differences on translation of foreign operations	31	157.825	164.673
Cash flow hedges		97.885	(31.911)
Income tax from items that will be reclassified	22.4	(31.330)	6.070
Total items that are or may be subsequently reclassified to profit and loss:		$ 235.644	$ 142.059
Other comprehensive income, net taxes		$ 523.581	$ (700.549)
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		$ 1.216.835	$ (116.705)
Total comprehensive income attributable to:			
Controlling interest		$ 1.200.152	$ (127.989)
Non-controlling interest		16.683	11.284
Total comprehensive income		$ 1.216.835	$ (116.705)

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

Carlos Ignacio Gallego Palacio
President



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



Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

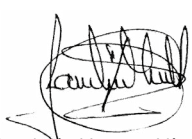
Consolidated Exchange in Equity Statement

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

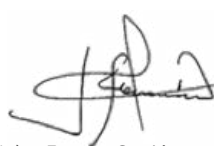
	Share capital issued (Note 30.1)	Paid-in-capital (Note 30.1)	Reserves and retained earnings (Note 30.2)	Earnings for the period	Other comprehensive income, accumulated (Note 31)	Total equity attributable to the controlling interest	Non-controlling interest (Note 30.4)	**Total**
Equity at December 31st of 2020	**2.301**	**546.832**	**4.003.255**	**575.441**	**3.070.019**	**8.197.848**	**59.294**	**8.257.142**
Profit for the period	-	-	-	676.879	-	676.879	16.375	693.254
Other comprehensive income for the period	-	-	-	-	523.273	523.273	308	523.581
Comprehensive income for the period	**-**	**-**	**-**	**676.879**	**523.273**	**1.200.152**	**16.683**	**1.216.835**
Transfer to accumulated results	-	-	575.441	(575.441)	-	-	-	-
Cash dividends (Note 30.3 – 30.4)	-	-	(323.006)	-	-	(323.006)	(2.910)	(325.916)
Shares buyback (Note 30.2 – 30.3)	-	-	(52.036)	-	-	(52.036)	-	(52.036)
Dividends from shares buyback	-	-	1.138	-	-	1.138	-	1.138
Non-controlling interest in the acquisition of subsidiaries	-	-	-	-	-	-	3.000	3.000
Deferred tax recognition (Note 22.4)	-	-	(57.851)	-	-	(57.851)	68	(57.783)
Realization of other comprehensive income (Note 31)	-	-	(326)	-	326	-	-	-
Other equity movements	-	-	(305)	-	-	(305)	38	(267)
Equity at December 31st of 2021	**2.301**	**546.832**	**4.146.310**	**676.879**	**3.593.618**	**8.965.940**	**76.173**	**9.042.113**
Equity at December 31st of 2019	**2.301**	**546.832**	**3.801.830**	**503.518**	**3.770.120**	**8.624.601**	**57.486**	**8.682.087**
Profit for the period	-	-	-	575.441	-	575.441	8.403	583.844
Other comprehensive income for the period	-	-	-	-	(703.430)	(703.430)	2.881	(700.549)
Comprehensive income for the period	**-**	**-**	**-**	**575.441**	**(703.430)**	**(127.989)**	**11.284**	**(116.705)**
Transfer to accumulated results	-	-	503.518	(503.518)	-	-	-	-
Cash dividends (Note 30.3 – 30.4)	-	-	(298.712)	-	-	(298.712)	(4.552)	(303.264)
Acquisition of subsidiaries	-	-	(39)	-	-	(39)	(4.986)	(5.025)
Realization of other comprehensive income (Note 31)	-	-	(3.329)	-	3.329	-	-	-
Other equity movements	-	-	(13)	-	-	(13)	62	49
Equity at December 31st of 2020	**2.301**	**546.832**	**4.003.255**	**575.441**	**3.070.019**	**8.197.848**	**59.294**	**8.257.142**

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

Carlos Ignacio Gallego Palacio
President



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



Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

Consolidated Cash-flow Statement

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

	Notas	2021	2020
Cash flow from operating activities			
Collection from sales of goods and services		$ 12.519.355	$ 11.136.912
Payments to suppliers for goods and services		(9.144.813)	(7.921.426)
Payments to and on behalf of employees		(1.919.731)	(1.823.893)
Income taxes and other taxes		(289.422)	(180.939)
Other cash outflows		(80.921)	(25.217)
Net cash flow from operating activities		**$ 1.084.468**	**$ 1.185.437**
Cash flow from investment activities			
Cash and equivalents received from acquisitions		7.259	-
Purchase of other equity instruments		(58.676)	(9.889)
Purchases of equity of associates and joint ventures	15	(11.929)	(4.900)
Purchases of property, plant, and equipment	17	(383.155)	(271.041)
Amounts from the sale of productive assets		40.498	31.353
Purchase of Intangibles and other productive assets		(26.363)	(27.557)
Divestment in assets held for sale, net		-	2.438
Dividends received	15-16	75.818	68.784
Interest received		15.088	16.033
Payments to third parties, to obtain control of subsidiaries	5	(92.102)	(12.883)
Other cash inflows		-	5
Net cash flow used in investment activities		**$ (433.562)**	**$ (207.657)**
Cash flow from financing activities			
Amounts (used in) proceeds from loans		(78.005)	113.102
Dividends paid	30.3	(317.948)	(298.063)
Shares buyback	30.3	(52.036)	-
Interest paid		(119.762)	(175.515)
Paid leases	24	(162.373)	(144.175)
Fees and other financial expenses		(45.679)	(36.490)
Other cash inflows		4.277	6.897
Net cash flow used in financing activities		**$ (771.526)**	**$ (534.244)**
(Decrease) increase in cash and cash equivalent from activities		**$ (120.620)**	**$ 443.536**
Cash flow from discontinued operations		(11)	151
Net foreign exchange differences		49.773	(8.070)
Net (Decrease) increase in cash and cash equivalents		**(70.858)**	**435.617**
Cash and cash equivalents at the beginning of the period		933.564	497.947
Cash and cash equivalents at the end of the period		**$ 862.706**	**$ 933.564**

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

Carlos Ignacio Gallego Palacio
President

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

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

Notes for the Consolidated Financial Statements

For the period between January 1st and December 31st of 2021 and 2020

(Values are expressed as millions of Colombian Pesos, except for the values in foreign currency, exchange rates, and number of shares.)

NOTE 1. CORPORATE INFORMATION

1.1. ENTITY AND CORPORATE PURPOSE OF THE PARENT COMPANY AND SUBSIDIARIES

Group Nutresa S.A. and its subsidiaries, (hereinafter referred to as: Grupo Nutresa, the Company, the Group, or Nutresa), constitute an integrated and diversified food industry group, that operates mainly in Colombia and Latin America.

The Parent Company is Grupo Nutresa S.A., an anonymous corporation of Colombian nationality, incorporated on April 12, 1920, with its headquarters in the City of Medellin, Colombia, and whose terms expire, on April 12, 2050. The Corporate Business Purpose consists of the investment, or application of available resources, in organized enterprises, under any of the forms permitted by law, whether domestic or foreign, and aimed at the use of any legal economic activity, either tangible or intangible assets, with the purpose of safeguarding its capital.

Below is information of subsidiaries: Name, Main Activity, Principle Domicile, Functional Currency, and Percentage of Shares held by Grupo Nutresa:

Entity	Main Activity	Functional Currency (*)	% Participation	
			2021	2020
Colombia				
Industria Colombiana de Café S.A.S.	Production of coffee and coffee related products	COP	100,00%	100,00%
Compañía Nacional de Chocolates S.A.S.	Production of chocolates, its derivatives, and related products	COP	100,00%	100,00%
Compañía de Galletas Noel S.A.S..	Production of biscuits, cereals, et al,	COP	100,00%	100,00%
Industria de Alimentos Zenú S.A.S..	Production and sales of meats and its derivatives	COP	100,00%	100,00%
Productos Alimenticios Doria S.A.S.	Production of pasta, flour, and cereals	COP	100,00%	100,00%
Molino Santa Marta S.A.S.	Milling of grains	COP	100,00%	100,00%
Alimentos Cárnicos S.A.S.	Production of meats and its derivatives	COP	100,00%	100,00%
Tropical Coffee Company S.A.S.	Assembly and production of coffee products	COP	100,00%	100,00%
Inverlogy S. A. S.	Production or manufacturing of packaging material	COP	100,00%	100,00%
Pastas Comarrico S.A.S.	Production of pasta, flour, and cereals	COP	100,00%	100,00%
Novaventa S.A.S.	Sales of foods and other items, via direct sales channels	COP	100,00%	100,00%
La Recetta Soluciones Gastronómicas Integradas S.A.S.	Distribution of foods, via institutional channels	COP	70,00%	70,00%
Meals Mercadeo de Alimentos de Colombia S.A.S.	Production and sales of ice cream, dairy beverages, et al,	COP	100,00%	100,00%
Servicios Nutresa S.A.S.	Provision of specialized business services	COP	100,00%	100,00%
Setas Colombianas S.A.	Production, processing and sales of mushrooms	COP	99,51%	99,50%
Gestión Cargo Zona Franca S.A.S.	Provision of logistics services	COP	100,00%	100,00%
Comercial Nutresa S.A.S.	Sales of food products	COP	100,00%	100,00%
Industrias Aliadas S.A.S.	Provision of services related to coffee	COP	100,00%	100,00%
Opperar Colombia S.A.S.	Provision of transportation services	COP	100,00%	100,00%
Fideicomiso Grupo Nutresa	Management of financial resources	COP	-	100,00%
Fondo de Capital Privado "Cacao para el Futuro" – Level A	Investment in cocoa production	COP	-	100,00%
IRCC S.A.S - Industria de Restaurantes Casuales S. A. S.	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%
LYC S.A.S.	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%
PJ COL S.A.S.	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%
New Brands S.A.	Production of dairy and ice cream	COP	100,00%	100,00%
Schadel Ltda. Schalin Del Vecchio Ltda.	Production of foods and operation of food establishments providing to the consumer	COP	99,88%	99,88%
Tabelco S.A.S. in liquidation	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	100,00%

Entity	Main Activity	Functional Currency (*)	% Participation	
			2021	2020
Productos Naturela S.A.S.	Production and marketing of healthy and functional foods	COP	60.00%	60.00%
Atlantic FS S.A.S.	Sales of food products	COP	51.00%	51.00%
Procesos VA S.A.S.	Processing of meat products	COP	100.00%	100.00%
Basic Kitchen S. A. S.	Sales of food products	COP	80,00%	-
CI Nutrading S. A. S.	Provision of logistics and sales services	COP	100,00%	-
Chile				
Tresmontes Lucchetti S.A.	Provision of specialized business services	CLP	100,00%	100,00%
Nutresa Chile S.A.	Management of financial and investment services	CLP	100,00%	100,00%
Tresmontes Lucchetti Agroindustrial S.A.	Agricultural and industrial production	CLP	-	100,00%
Tresmontes Lucchetti Servicios S.A.	Management of financial and investment services	CLP	100,00%	100,00%
Tresmontes S.A.	Production and sales of foods	CLP	100,00%	100,00%
Lucchetti Chile S.A.	Production of pasta, flour, and cereals	CLP	100,00%	100,00%
Novaceites S.A.	Production and sales of vegetable oils	CLP	50,00%	50,00%
Inversiones Tresmontes S.A.	Management of financial and investment services	CLP	100,00%	100,00%
Tresmontes Lucchetti Inversiones S. A.	Management of financial and investment services	USD	100,00%	100,00%
Costa Rica				
Compañía Nacional de Chocolates DCR S.A.	Production of chocolates and its derivatives	CRC	100,00%	100,00%
Compañía de Galletas Pozuelo DCR S.A.	Production of biscuits, et al,	CRC	100,00%	100,00%
Compañía Americana de Helados S.A.	Production and sales of ice cream	CRC	100,00%	100,00%
Servicios Nutresa CR. S.A.	Specialized business services provider	CRC	100,00%	100,00%
Industrial Belina Montes de Oro S. A.	Production and sales of animal food products	CRC	100,00%	-
Belina Importaciones e Innovaciones Dos Mil S. A.	Distribution and sales of animal food products	CRC	100,00%	-
Belina Nutrición Animal S. A.	Distribution and sales of animal food products	CRC	100,00%	-
Guatemala				
Comercial Pozuelo Guatemala S.A.	Distribution and sales of food products	QTZ	100,00%	100,00%
Distribuidora POPS S.A.	Sales of ice cream	QTZ	100,00%	100,00%
Mexico				
Nutresa S.A. de C.V.	Production and sales of food products	MXN	100,00%	100,00%
Serer S.A. de C.V.	Personnel services	MXN	-	100,00%
Servicios Tresmontes Lucchetti S.A. de C.V.	Specialized business services provider	MXN	-	100,00%
Tresmontes Lucchetti México S.A. de C.V.	Production and sales of foods	MXN	100,00%	100,00%
TMLUC Servicios Industriales S.A. de CV	Specialized business services provider	MXN	-	100,00%
Aliados Comerciales Alternativos	Sales of food products	MXN	100,00%	-
Panama				
Promociones y Publicidad Las Américas S.A.	Management of financial and investment services	PAB	100,00%	100,00%
Alimentos Cárnicos de Panamá S.A.	Production of meats and its derivatives	PAB	100,00%	100,00%
American Franchising Corp. (AFC)	Management of financial and investment services	USD	100,00%	100,00%
LYC Bay Enterprise INC.	Management of financial and investment services	USD	-	100,00%
Sun Bay Enterprise INC.	Management of financial and investment services	USD	-	100,00%
The United States of America				
Abimar Foods Inc.	Production and sales of food products	USD	100,00%	100,00%
Cordialsa USA. Inc.	Sales of food products	USD	100,00%	100,00%
Kibo Foods LLC	Production and sales of food products	USD	100,00%	100,00%
Cameron's Coffee & Distribution Company	Production of coffee and coffee related products	USD	100,00%	100,00%
CCDC OPCO Holding Corporation	Management of financial and investment services	USD	100,00%	100,00%

Entity	Main Activity		Functional Currency (*)	% Participation 2021	% Participation 2020
TMLUC Argentina S.A.	Production and sales of food products	Argentina	ARS	100,00%	100,00%
Corporación Distribuidora de Alimentos S.A. (Cordialsa)	Sales of food products	Ecuador	USD	100,00%	100,00%
Comercial Pozuelo El Salvador S.A. de C.V.	Distribution and sales of food products	El Salvador	USD	100,00%	100,00%
Americana de Alimentos S.A. de C.V.	Sales of food products	El Salvador	USD	100,00%	100,00%
Comercial Pozuelo Nicaragua S.A.	Sales of food products	Nicaragua	NIO	100,00%	100,00%
Industrias Lácteas Nicaragua S.A.	Sales and logistics management	Nicaragua	NIO	100,00%	100,00%
Compañía Nacional de Chocolates del Perú S.A.	Production of foods and beverages	Peru	PEN	100,00%	100,00%
Helados Bon S.A.	Production and sales of ice cream, beverages, and dairy, et al,	Dominican Republic	DOP	81,18%	81,18%
Compañía de Galletas Pozuelo de República Dominicana S.R.L.	Management of financial and investment services	Dominican Republic	DOP	100,00%	100,00%
Nutresa South África (PTY) Ltd	Distribution and sales of food products	South Africa	ZAR	100%	-

Table 1

(*)See Note 31.4, the descriptions of abbreviations, for each currency, and the primary impact on Grupo Nutresa's Financial Statements.

CHANGES IN THE SCOPE OF CONSOLIDATION

2021: In December, the "Fideicomiso Grupo Nutresa" was liquidated.

In November, the liquidation agreement of the company Tresmontes Lucchetti Agroindustrial S.A. was carried out, with effect from the date.

In September, CI Nutrading S. A. S. was established, which will have the purpose of buying, selling and exporting products for distribution and sales abroad, as well as support and implementation as an export platform for Colombian companies.

In August, Basic Kitchen S. A. S. was created with an 80% stake. Furthermore, it was also liquidated the Private Capital Fund "Cacao para el Futuro" – Compartimento A.

In July, the process of acquiring 100% of the companies Belina Nutrición Animal S.A., Belina Importaciones e Innovaciones Dos Mil S.A. and Industrial Belina Montes de Oro S.A. was closed, which will be aimed at the production and sale of pet food.

In November, 2020 the company Nutresa South Africa (PTY) Ltd was established, and in March 2021, it was capitalized. The Company will have the objective of marketing the group's products in South Africa and other countries within the African continent.

In January, 2021, a merger by absorption agreement was signed between American Franchising Corp. (AFC), LYC Bay Enterprise INC and Sun Bay Enterprise INC., through which LYC Bay Enterprise INC and Sun Bay Enterprise INC, are merged with American Franchising (AFC).

In June, 2021, a merger by absorption agreement was signed between Serer S. A. de C.V. and Nutresa S. A. de C. V., through which Serer S. A. de C. V. are absorbed by Nutresa S. A. de C. V. Otherwise, a merger by absorption was made between Tresmontes Lucchetti México S.A, Servicios Tresmontes Lucchetti S. A. de C.V. and TMLUC Servicios Industriales, S. A. de C. V., through which Servicios Tresmontes Lucchetti S. A. de C. V. and TMLUC Servicios Industriales, S. A. de C. V., are merged with Tresmontes Lucchetti México S. A. de C. V.

2020: On July 1st Compañía de Galletas Noel S. A. acquired 16,59% of the "Fondo del capital privado Cacao para el Futuro - Compartimento A" corresponding to 300.000 shares for $4.421.

NOTE 2. BASIS OF PREPARATION

The Consolidated Financial Statements of Grupo Nutresa, for the period from January 1st to December 31st, 2021, have been prepared in accordance with the Accounting and Financial Information Standards, accepted in Colombia, based on the International Financial Reporting Standards (IFRS), together with its interpretations, conceptual framework, the foundation for conclusions, and the application guidelines authorized and issued, by the International Accounting Standards Board (IASB), until 2018 (Not included IFRS17) and other legal provisions, defined by the Financial Superintendence of Colombia, and including the exception to IAS 12 on Income Tax, defined by the Ministry of Commerce, Industry and Tourism of Colombia in Decree 1311 of 2021, to recognize the effects on deferred taxes of the change in the income tax rate of Law 2155, 2021 against accumulated earnings in equity.

2.1. BASIS OF MEASUREMENT

The Consolidated Financial Statements have been prepared on a historical cost basis, except for the measurements at fair value of certain financial instruments, as described in the accounting policies, herewith. The book value of recognized assets and liabilities, that have been designated as hedged items, in fair value hedges, and which would otherwise be accounted for at amortized cost and are adjusted to record changes in the fair values, attributable to those risks that are covered under "Effective hedges".

2.2 FUNCTIONAL AND PRESENTATION CURRENCY

The Consolidated Financial Statements in Colombian Pesos, which is both the functional and presentation currency of Grupo Nutresa. These figures are expressed in millions of Colombian Pesos, except for basic earnings per share and the representative market exchange rates, which are expressed in Colombian Pesos, as well as, other currencies (E.g. USD, Euros, Pounds Sterling, et al.), and which are expressed as monetary units.

2.3 CLASSIFICATION OF ITEMS IN CURRENT AND NON-CURRENT

Grupo Nutresa presents assets and liabilities, in the Statement of Financial Position, classified as current and non-current. An asset is classified as current, when the entity: expects to realize the asset, or intends to sell or consume it, within its normal operating cycle, holds the asset primarily, for negotiating purposes, expects to realize the asset within twelve months, after the reporting period is reported, or the asset is cash or cash equivalent, unless the asset is restricted for a period of twelve months, after the close of the reporting period. All other assets are classified as non-current. A liability is classified as current when the entity expects to settle the liability, within its normal operating cycle, or holds the liability primarily for negotiating purposes.

NOTE 3. SIGNIFICANT ACCOUNTING POLICIES

3.1 BASIS OF CONSOLIDATION

3.1.1 INVESTMENTS IN SUBSIDIARIES

The Consolidated Financial Statements include Grupo Nutresa financial information, as well as, its subsidiaries, as of December 31st, 2021, as well as its corresponding comparative financial information. A subsidiary is an entity controlled by one of the companies that make up Grupo Nutresa. Control exists, when any of the Group companies, has the power to direct the relevant activities of the subsidiary, which are generally: the operating and financing activities, to obtain benefits from them, and is exposed, or has rights, to those variable yields.

The accounting policies and practices are applied homogeneously, by the Parent Company, and its subsidiary companies. In cases of subsidiaries, located abroad, the practices do not differ significantly from the accounting practices used in the countries of origin, and/or have been homologized to those that have a significant impact on the Consolidated Financial Statements.

All balances and transactions between subsidiaries, as well as, the unrealized profits or losses, were eliminated in the consolidation process.

The Financial Statements of the subsidiaries are included in the Consolidated Financial Statements, from the date of acquisition, until the date that Grupo Nutresa loses its control. Any residual interest that is retained is measured at fair value. The gains or losses arising from this measurement are recognized in the other comprehensive income.

The Annual Separate Financial Statements are the basis for the distribution of dividends and other appropriations by the Shareholders. The Consolidated Financial Statements at year, are presented at the Shareholders' Meeting, for informational purposes only.

Consolidation of companies in which Grupo Nutresa owns less than the majority of voting rights:

The Group considers exercising control of the relevant activities of Novaceites S.A., despite that their actual controlling shares are 50%, which does not give the majority of the voting rights. This conclusion is based on the composition of the Directive of Novaceites S.A., the Administration of TMLUC, as well as, the General Management of the Company, and the level of involvement of TMLUC, in its accounting and commercial processes.

Companies in which Grupo Nutresa holds the majority of the voting rights, but does not have the control:

The Group considers that it does not exercise control over the relevant activities of Industrias Alimenticias Hermo de Venezuela S.A. and Cordialsa Noel Venezuela S.A., despite having a 100% interest. The changing conditions of the Venezuelan market, including regulation of the foreign exchange market and limited access to the purchase of foreign exchange, through official systems, combined with other governmental controls, such as price controls and profitability, importation, and labor laws, among others, limits the ability to maintain a normal level of production, reduces the ability of the Administration to make and execute operational decisions, restricts the possibility of access to the liquidity, resulting from these operations, and the realization of these benefits to its investors, in other Countries, through dividend payments. The Management, of Grupo Nutresa, considers that this situation will be maintained, in the foreseeable future, and therefore, a loss of control is established on said investment, according to

the postulates established in IFRS 10, reasons that served to support, that as of October 1, 2016, these investments were classified as financial instruments measured at fair value with changes in other comprehensive income.

This accounting classification does not compromise the productive and commercial operation of Grupo Nutresa, in Venezuela, its team of collaborators, nor its relationships, with customers and suppliers.

3.1.2 NON-CONTROLLING INTEREST

Non-controlling interest, in net assets of the consolidated subsidiaries, are presented separately, within Grupo Nutresa's equity. Profit and loss, and "other comprehensive income", is also attributed to non-controlling and controlling interest.
Subsidiaries' purchases or sales, involving non-controlling ownership, that do not involve a loss of control, are recognized directly in equity.

Grupo Nutresa considers non-controlling interest transactions, as transactions with Shareholders of the Company. When realizing acquisitions of minority interest transactions, the difference between the consideration paid, and the interest acquired, over the book value of the subsidiary´s net assets, is recognized as an equity transaction, and therefore, goodwill for those acquisitions is not recognized.

3.2 INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which Grupo Nutresa has significant influence, over its financial and operating policies, without having control or joint control. A joint venture is an entity that Grupo Nutresa controls jointly with other participants, where, together, they maintain a contractual agreement, that establishes joint control over the relevant activities of the entity.

At the date of acquisition, the excess acquisition cost over the net fair value of the identifiable assets, liabilities, and contingent liabilities, assumed by the associate or joint venture, is recognized as goodwill. Goodwill is included in the book value of the investment and is not amortized, nor is it individually tested for impairment.

The results, assets, and liabilities of the associate, or joint venture, are incorporated in the Consolidated Financial Statements, using the *Equity Method*, under which the investment is initially recorded at cost and is adjusted with changes of the participation of Grupo Nutresa, over the net assets of the associate or joint venture, after the date of acquisition, less any impairment loss on the investment. The losses of the associate or joint venture, that exceed Grupo Nutresa's shares in the investment, are recognized as a provision, only when it is probable that there will be an *outflow* of economic benefit, and there is a legal or implicit obligation.

Where *the Equity Method* is applicable, adjustments are made to homologize the accounting policies of the associate or joint venture with those of Grupo Nutresa. The portion that corresponds to Grupo Nutresa, of gains and losses, obtained from the measurement at fair value, at the date of acquisition, is incorporated into the Financial Statements, and unrealized gains and losses from transactions between Grupo Nutresa and the associate or joint venture are eliminated, to the extent of Grupo Nutresa´s participation in the associate or joint venture. *The Equity Method* is applied from the date of the acquisition, to the date that significant influence or joint control over the entity is lost.

The participation of profit and loss, of an associate or joint venture, is presented in the Comprehensive Income Statement, for the period, net of taxes, and non-controlling interest, of the subsidiaries of the associate or joint venture. The participation of changes recognized, directly in equity and "other comprehensive income" of the associate or joint venture, is presented in the Statement of Changes in Equity, and other consolidated comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized, by reducing the book value of the investment.

Grupo Nutresa analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses of the associate or joint venture investment, in the profit and loss.

When the significant influence over an associate or joint control is lost, Grupo Nutresa measures and recognizes, any retained residual investment at fair value. The difference between the book value of the associate or joint venture (taking into account, the relevant items of "other comprehensive income"), and the fair value of the retained residual investment, at its value from sale, is recognized in profit and loss, in that period.

3.3 SIGNIFICANT ACCOUNTING POLICIES

Grupo Nutresa, and its subsidiaries, apply the accounting policies and procedures of the Parent Company. An overview of the significant accounting policies, that Grupo Nutresa applies in the preparation of its Consolidated Financial Statements, is as follows:

3.3.1 BUSINESS COMBINATIONS AND GOODWILL

Operations, whereby the joining of two or more entities or economic units into one single entity, or group of entities, occurs, are considered business combinations.

Business combinations are accounted for using *the Acquisition Method*. Identifiable assets acquired, liabilities, and contingent liabilities, assumed from the acquired, are recognized at fair value, at the date of acquisition. Acquisition expenses are recognized in profit and loss and goodwill, as an asset, in the Consolidated Statement of Financial Position.

The consideration, transferred in the acquisition, is measured as the fair value of assets transferred, liabilities incurred or assumed, and equity instruments, issued by Grupo Nutresa, including any contingent consideration, to obtain control of the acquired.

Goodwill is measured as the excess of the sum of the consideration transferred, the value of any non-controlling interest, and when applicable, the fair value of any previously held equity interest, over the net value of the assets acquired, liabilities, and contingent liabilities assumed at the date of acquisition. The resulting gain or loss, from the measurement of previously held interest, can be recognized in profit and loss or "other comprehensive income", accordingly. In the previous periods for which it is reported, the acquirer may have recognized, in "other comprehensive income", changes in the value of its equity interest in the acquired. If so, the amount, that was recognized, in "other comprehensive income", shall be recognized, on the same basis as it would be required if the acquirer had disposed directly of the previously held equity interest. When the consideration transferred is less than the fair value of the net assets acquired, the corresponding gain is recognized in profit and loss, on the date of acquisition.

For each business combination, at the date of acquisition, Grupo Nutresa chooses to measure non-controlling interest at the proportionate share of the identifiable assets acquired, liabilities, and contingent liabilities assumed from the acquired, or at fair value.

Any contingent consideration, in a business combination, is classified as liability or equity, and is recognized at fair value, at the date of acquisition. Subsequent changes in fair value of a contingent consideration, classified as financial liability, are recognized in profit and losses, in that period, or in "other comprehensive income". When it is classified as equity, it is not re-measured, and its subsequent settlement is recognized in equity. If the consideration is not classified as a financial liability, it is measured in accordance with applicable IFRS.

Goodwill acquired in a business combination is allocated at the date of acquisition, to cash-generating units of Grupo Nutresa, that are expected to be benefitted by the combination, irrespective of whether other assets or liabilities of the acquired are assigned to these units.

When goodwill is part of a cash-generating unit, and part of the operation within that unit is sold, the goodwill associated with the operation disposed is included in the book value of the operation, when the gain or loss of the disposal of the operation is determined. Goodwill written-off is determined, based upon the percentage of the operation sold, which is the difference between the book value of the operation sold and the book value of the cash-generating unit.

3.3.2 TRANSLATION OF BALANCES AND TRANSACTIONS, IN FOREIGN CURRENCIES

Transactions made in a currency other than the functional currency of the Group are translated using the exchange rate, at the date of the transaction. Subsequently, monetary assets and liabilities, denominated in foreign currencies are translated, using the exchange rates, at the closing of the Financial Statements, and taken from the information published by the official entity responsible for certifying this information; non-monetary items, that are measured at fair value, are translated using the exchange rates on the date when its fair value is determined and non-monetary items that are measured at historical cost, are translated using the official exchange rates, from the date of the original transaction.

All exchange differences, arising from operating assets and liabilities, are recognized in the Income Statement, as part of operating income or expenses; exchange differences, in other assets and liabilities, are recognized as financial income or expense, except for, monetary items that provide an effective hedge for a net investment, in a foreign operation, and from investments in shares classified as fair value, through equity. These items and their tax impact are recognized in "other comprehensive income", until the disposal of the net investment, at which time they are recognized in profit and loss.

Foreign subsidiaries

For the presentation of Grupo Nutresa's Consolidated Financial Statements, the financial situation, and results of the subsidiaries, whose functional currency is different from the presentation currency of the Group, and whose economy is not classified as hyperinflationary, are translated, as follows:

- Assets and liabilities, including goodwill, and any adjustment to the fair value of assets and liabilities, arising from the acquisition, are translated, at end of period exchange rates.
- Income and expenses are translated at the monthly average exchange rate.

Exchange differences, arising from translation of foreign subsidiaries, are recognized in "other comprehensive income", on a separate account ledger named "Exchange differences on translation of foreign operations", as well as, exchange differences, in long-term receivable or payable accounts, which are part of the net investment abroad. In the disposal of foreign operations, the amount of "Other comprehensive income", that relates to the foreign subsidiaries, is recognized in the results of the period.

Main currencies and exchange rates

Below, is the evolution of the closing exchange rates to Colombian Pesos, of the foreign currencies, that correspond to the functional currency of the subsidiaries, of Grupo Nutresa, and that have a significant impact on the Consolidated Financial Statements:

		2021	2020
Panamanian Balboa	PAB	3.981,16	3.432,50
Costa Rican Colon	CRC	6,17	5,56
Nicaraguan Cordoba	NIO	112,08	98,57
Peruvian Sol	PEN	997,53	947,94
U.S. Dollar	USD	3.981,16	3.432,50
Mexican Peso	MXN	194,05	172,18
Guatemalan Quetzal	GTQ	515,75	440,41
Dominican Peso	DOP	69,18	58,85
Chilean Peso	CLP	4,71	4,83
Argentine Peso	ARS	38,75	40,79

Table 2

3.3.3 CASH AND CASH EQUIVALENTS

Cash and cash equivalents, in the Statement of Financial Position and Statement of Cash Flows, include cash on hand and banks, highly liquid investments easily convertible to a determined amount of cash and subject to an insignificant risk of changes in its value, with a maturity of three months or less, from the date of purchase. These items are initially recognized at historical cost, and are restated, to be recognized at its fair value, at the date of each annual accounting period.

3.3.4 FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and, simultaneously, to a financial liability or equity instrument of another entity. Financial assets and liabilities are initially recognized at fair value, plus (minus) the transaction costs directly attributable, except for those who are subsequently measured at fair value.

At initial recognition, Grupo Nutresa classifies its financial assets for subsequent measurement, at amortized cost or fair value, depending on Grupo Nutresa's business model for the administration of financial assets, and the characteristics of the contractual cash flows of the instrument; or as derivatives designated as hedging instruments, in an effective hedge, accordingly.

(i) Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to keep the contractual cash flows, and the contractual terms of the same grants, on specific dates, cash flows that are solely for payments of principal and interest, on the value of outstanding capital. The carrying amount of these assets is adjusted by any estimate of expected and recognized credit loss. Income from interest of these financial assets is included in "interest and similar income", using the effective interest rate method.

Grupo Nutresa has determined that the business model for accounts receivable is to receive the contractual cash flows, which is why they are included in this category, the Group evaluates whether the cash flows of the financial instruments represent only capital and interest payments. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic loan agreement. That is, the interest includes only the consideration for the value of money over time, credit risk, other basic credit risks, and a profit margin consistent with a basic loan agreement. When the contractual terms introduce a risk, or volatility exposure, and are inconsistent with a basic loan agreement, the related financial asset is classified and measured at fair value, through profit or loss.

Accounts receivable, from sales are measured by the value of income, minus the value of the expected impairment losses, according to the model defined by the Group. These accounts receivables are recognized, when all the risks and benefits are transferred to the third party.

(ii) Financial assets measured at fair value with changes in other comprehensive income

The financial assets, held for the collection of contractual cash flows and for sales of the assets, where the cash flows of the assets represent only payments of principal and interest, and which are not designated at fair value, through profit or loss, are measured at fair value with changes in other comprehensive income.

For investments in equity instruments, that are not held for trading purposes, Grupo Nutresa chooses to irrevocably present gains or losses, from fair value measurement, in other comprehensive income. In the disposal of investments, at fair value, through other comprehensive income, the accumulated value of gains or losses is transferred directly to retained earnings and is not reclassified to profit or loss. Dividends received in cash, from these investments, are recognized in profit or loss for the period.

The fair values of share price investments are based on the valid quoted prices. If the market for a financial instrument is not active (or the instrument is not quoted on a stock exchange), the Group establishes its fair value using valuation techniques. These techniques include the use of the values observed in recent transactions, realized under the terms of free competition, the reference to other instruments that are substantially similar, analyses of discounted cash flows, and option models, making maximum use of market information, and giving the lesser degree of confidence possible, in internal information specific to the entity.

(iii) Financial assets measured at fair value

The financial assets, different from those measured at amortized cost or at fair value, with changes in other comprehensive income, are subsequently measured at fair value, with changes recognized in profit and loss. A loss or gain on a debt instrument, that is subsequently measured at fair value, through profit or loss and is not part of a hedging relationship, is recognized in the Income Statement, for the period in which it arises, unless it arises from instruments of debt that were designated at fair value, or that are not held for trading.

(iv) Impairment of financial assets at amortized cost

The Group evaluates, in a prospective manner, the expected credit losses associated with the debt instruments, recorded at amortized cost and at fair value, through changes in other comprehensive income, as well as with the exposure derived from loan commitments and financial guarantee contracts. The Group recognizes a provision for losses, at each presentation date. The measurement of the expected credit losses reflects:

- An unbiased and weighted probability quantity, that is determined by evaluating a range of possible outcomes;
- The value of money in time; and
- Reasonable and supported information, available without incurring undue costs or efforts, on the filing date, regarding past events, current conditions, and future economic condition forecasts.

(v) Derecognition

A financial asset, or a part of it, is derecognized, from the Statement of Financial Position, when it is sold, transferred, expires, or Grupo Nutresa loses control over the contractual rights or the cash flows of the instrument. A financial liability, or a portion of it, is derecognized from the Statement of Financial Position, when the contractual obligation has been settled, or has expired. When an existing financial liability is replaced by another, from the same counterparty, on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, and the recognition of a new liability, and the difference, in the respective book value, is recognized in the Comprehensive Income Statement.

(vi) Modification

In some circumstances, the renegotiation, or modification of the contractual cash flows, of a financial asset, may lead to the derecognition of an existing financial asset. When the modification of a financial asset results in the derecognition of an existing financial asset, and the subsequent recognition of a modified financial asset, it is considered a new financial asset. Accordingly, the date of the modification will be treated as the date of initial recognition, of that financial asset.

(vii) Financial liabilities

Financial liabilities are subsequently measured at amortized cost, using the effective interest rate. Financial liabilities include balances with suppliers and accounts payable, financial obligations, and other derivative financial liabilities. This category also includes those derivative financial instruments, taken by the Group, that are not designated as hedging instruments, in effective hedging.

Financial obligations are classified as such, for obligations that are obtained by resources, be it from credit institutions or other financial institutions, in the country or abroad.

Financial liabilities are written-off in accounts when they are canceled, that is, when the obligation specified in the contract is met, canceled, or expires.

(viii) Off-setting financial instruments

Financial assets and financial liabilities are offset, so that the net value is reported on the Statement of Financial Position of the Consolidated, only if (i) there is, at present, a legally enforceable right to offset the amounts recognized, and (ii) there is an intention to settle on a net basis, or to realize the assets and settle the liabilities, simultaneously.

(ix) Derivative instruments and hedge accounts

A financial derivative is a financial instrument, whose value changes, in response to changes in an observable market variable, (such as an interest rate, foreign exchange, the price of a financial instrument, or a market index, including credit ratings), and whose initial investment is very small compared to other financial instruments with similar changes, in response to market conditions, and are generally settled at a future date.

In the normal course of business, companies engage in transactions with derivative financial instruments, with the sole purpose of reducing its exposure to fluctuations in exchange rates, and interest rates on foreign currency obligations. These instruments include, among others, swaps, forwards, options, and futures over commodities traded for own-use.

Derivatives are classified, under the category of financial assets or liabilities, according to, the nature of the derivative, and are measured at fair value on the Income Statement, except those that are designated as hedging instruments.

Commodities contracts, with the purpose of receipt or delivery a non-financial item, in accordance with the purchase, sale, or usage requirements, expected by the entity, are considered "derivatives for own-use", and the impact is recognized as part of cost of the inventory.

Grupo Nutresa designates and documents certain derivatives as hedging instruments, to cover:

- Changes in the fair value of recognized assets and liabilities or in firm commitments (fair value hedges)
- Exposure to variations in cash flows of highly probable forecast transactions (cash flow hedges); and

- Hedges of net investments in foreign operations.

The Group expects that the hedges are highly effective in offsetting the changes in fair value or variations of cash flows. The Group continuously evaluates the coverage, at least quarterly, to determine that they have actually been highly effective throughout the periods for which they were designated.

3.3.5 INVENTORIES

Assets, held for sale in the ordinary course of business, or in the process of production for such a sale, or in the form of materials or supplies to be consumed in the production process, or services provided, are classified as inventory.

Inventories are valued at the lesser of, acquisition or manufacturing cost, or the net realizable value. Cost is determined using the Average Cost Method. The net realizable value is the estimated selling price of inventory. In the ordinary course of operations, less the applicable variable sales expenses. When the net realizable value is below the book value, the value of the impairment is recognized, as an adjustment in the Income Statement, decreasing the value of the inventory.

Inventories are valued using the weighted average method and the cost includes the costs directly related to the acquisition and those incurred to give them their current condition and location. The cost of finished goods and work in progress is comprised of: raw materials, direct labor, other direct costs, and indirect manufacturing expenses.

Trade discounts, rebates, and other similar items are deducted from the acquisition cost of inventory.

In the case of commodities, the cost of the inventory includes any gain or loss, on the hedging of raw material procurement.

3.3.6 BIOLOGICAL ASSETS

Biological assets held by Grupo Nutresa are measured from initial recognition at the fair value, less expenses to realize the sale. The changes are recognized in the Income Statement, for the period. Agricultural products, coming from biological assets, are measured at fair value less costs to sell at the time of collection or harvest when they are transferred to inventory.

When fair value cannot be reliably measured, it is measured at cost, and the existence of impairment indicators permanently assessed.

3.3.7 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment includes the value of land, buildings, furniture, vehicles, machinery and equipment, computer hardware, and other facilities owned by the consolidated entities, which are used in the normal operation of the segment's Group.

Property, plant and equipment are measured at cost, net of accumulated depreciation, and accumulated impairment losses, if any. The cost includes: the acquisition price, costs directly related to the location of assets in place, and the necessary conditions to operate in the manner intended by Grupo Nutresa, the cost, from loans, for construction projects, that take a period of a year or more to be completed, if the conditions for approval are met, and the present value of the expected cost for the decommissioning of the asset after its use, if the recognition criteria for a provision, are met.

Trade discounts, rebates, and other similar items are deducted from the acquisition cost of the asset.

For significant components of property, plant and equipment, that must be replaced periodically, the Group derecognizes the replaced component and recognizes the new component as an asset, with a corresponding specific useful life, and depreciates it, accordingly. Likewise, when major maintenance is performed, its cost is recognized as a replacement of the book value of the asset, to the extent that the requirements for recognition are met. All other routine repair and maintenance expenses are recognized in results, as they are incurred.

Substantial improvements on properties of third parties are recognized as part of Grupo Nutresa's fixed assets, and are depreciated for the shortest period, between the useful life of the improvements made or the lease term.

Depreciation begins when the asset is available for use, and is calculated on a straight-line basis over the estimated asset life, as follows:

Buildings	20 to 60 years
Machinery and production equipment (*)	10 to 40 years
Transport equipment	3 to 10 years
Communication and computer equipment	3 to 10 years
Office equipment	5 to 10 years

table 3

(*) Some of the machinery, related to production, is depreciated using the Hours Produced Method, according to the most appropriate manner, in which the consumption of the economic benefits of the asset, is reflected.

The residual values, useful lives, and depreciation methods are reviewed at each year-end, and are adjusted prospectively, if required. The factors that can influence the adjustment are changes in the use of the asset, unexpected significant wear, technological advances, changes in market prices, et al.

A component of property, plant and equipment, or any substantial part of it, initially recognized, is derecognized upon sale or when no future economic benefit from its use or its sale is expected. Any gain or loss, at the time of derecognizing the asset, (calculated as the difference between the net income from the sale and the book value of the asset), is included in the Income Statement, for the period.

At each accounting close, Grupo Nutresa evaluates its assets, to identify indicators, both external and internal, of reductions of its recoverable values. If there is evidence of impairment, property, plant and equipment is tested, to assess whether their book values are fully recoverable. In accordance with IAS 36 "Impairment of Assets", losses due to a reduction in the recoverable value are recognized for the amount at which the book value of the asset, (or group of assets), exceeds its recoverable value (the greater between its fair value minus the disposal costs and their value in use), and is recognized in the Income Statement for the period, as impairment of other assets.

When the book value exceeds the recoverable value, the book value is adjusted to its recoverable value, modifying the future depreciation, in accordance with its new remaining useful life.

Plantations in development: are live Plants that are used in the elaboration or supply of agricultural products, are expected to produce for more than one period, and have a remote probability of being sold as agricultural products, except for incidental sales of thinning and pruning.

3.3.8 RIGHT-OF-USE ASSETS AND LIABILITIES

A lease is an agreement whereby a lessor assigns to a lessee, in return for a payment or series of payments, the right to use an asset for a specified period.

The Group is the lessor and lessee of various properties, equipment and vehicles. Leases are generally for fixed periods of 1 to 15 years but may have options to extend. The lease terms are negotiated individually and contain a wide range of different terms and conditions.

The extension and termination options included in the Group's leases are used to maximize operational flexibility in terms of contract management. Most extension and termination options held are exercisable simultaneously by the Group and the respective counterparty.

Tenant accounting

Leases are recognized as a right of use asset and a corresponding liability on the date on which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the income statement over the lease period to produce a constant periodic interest rate on the remaining balance of the liability for each period. The right-to-use asset is depreciated over the shorter of the asset's useful life and the straight-line lease term.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Fixed payments (including substantial fixed payments), less any incentive to lease receivables,
- Variable lease payment based on an index or rate,
- Amounts expected to be paid by the tenant under residual value guarantees,
- The exercise price of a call option if the lessee is reasonably sure of exercising that option, and
- Penalty payments for terminating the lease, if the condition of the lease reflects that the tenant exercised that option.

Lease payments are discounted using a discount rate, which is calculated using the interest rate of each country, considering the duration of the contract and the type of asset.

Rights-of-use assets are measured at cost and comprise the following:

- The amount of the initial measurement of the lease liability,
- Any lease payment made on or before the start date,
- Any direct initial costs, and
- Dismantling and restoration costs

Payments associated with short-term leases and low-value asset leases are recognized on a straight-line basis as an expense in the statement of income. Short-term leases have a term of 12 months or less. Low value assets include computer equipment and small office furniture items.

The average periods of amortization for right-of-use assets are, as follows:

Buildings	7 to 15 years
Machinery	3 to 4 years
Transportation equipment	5 to 10 years

table 4

Lessor's Accounting

When assets are leased under a finance lease, the present value of future lease payments is recognized as an account receivable. The difference between the gross amount receivable and the present value of the account receivable is recognized as finance income.

The account receivable is amortized by allocating each royalty between finance income and capital amortization in each accounting period so that the recognition of finance income reflects a constant rate of return on the lessor's net investment in the finance lease in each period.

When assets are leased out under operating leases, the asset is included in the statement of financial position according to the nature of the asset. Income from operating leases is recognized over the term of the lease on a straight-line basis.

3.3.9 INVESTMENT PROPERTIES

Land and buildings, owned by Grupo Nutresa, are recognized as investment properties, in order to obtain an income or goodwill, rather being maintained for use or sale, in the ordinary course of operations.

Investment properties are initially measured at cost. The acquisition cost of an investment property includes its purchase price and any directly attributable expenditure. The cost of a self-constructed investment property is its cost at the date when the construction or development is complete.

After initial recognition, investment properties are measured at net cost of accumulated depreciation and loss accumulated impairment losses, if any.

Depreciation is calculated linearly over the asset's useful lives, estimated between 20 and 60 years. Residual values and useful lives are reviewed and adjusted prospectively, at year-end, or when required.

Investment properties are written-off, either at the time of disposal, or when it is removed permanently from use and no future economic benefit is expected. The difference between the net disposal and the book value of the assets is recognized in income for the period in which it was derecognized.

Transfers to or from investment properties are made only when there is a change in use. In the case of a transfer from investment property, to property, plant and equipment, the cost, considered in subsequent accounting, is the book value at the date of change of use.

3.3.10 INTANGIBLE ASSETS

An intangible asset is an identifiable asset, non-monetary, and without physical substance. Intangible assets acquired separately are initially measured at cost. The cost of intangible assets, acquired in business combinations, is its fair value, at the date of acquisition. After initial recognition, intangible assets are accounted for at cost less any accumulated amortization and any accumulated impairment losses in value.

The useful lives of intangible assets are determined as finite or indefinite. Intangible assets with finite useful lives are amortized over their useful life, linearly, and are assessed to determine whether they had any impairment, whenever there are indications that the intangible asset might have suffered such impairment. The amortization period and the Amortization Method, for an intangible asset with a finite useful life, is reviewed at least at the close of each period. Changes in the expected useful life or the expected pattern of consumption of the future economic benefits of the asset, are accounted for at the change of the amortization period or method, as appropriate, and are treated as changes in accounting estimates. Amortization expenses of intangible assets, with finite useful lives, are recognized in the Comprehensive Income Statement for the period. The useful life of an intangible asset with a finite life is between 3 and 99 years.

Intangible assets, with indefinite useful lives, are not amortized, but are tested annually to determine if they have suffered impairment, either individually, or at the level of the cash-generating unit. The assessment of indefinite life is reviewed annually, to determine whether the assessment remains valid. If not, the change in useful life from indefinite to finite is made prospectively against the results for the period.

Gains or losses, that arise when an intangible asset is written-off, are measured as the difference between the value obtained in the disposal, and the book value of the asset, and is recognized in profit and loss.

Research and development costs

Research costs are expensed as they are incurred. The expenditures, related to the development, in an individual project, are recognized as intangible assets, when the Grupo Nutresa can demonstrate:

- The technical feasibility of completing the intangible asset so that it is available for use or sale;
- Its intention to complete the asset and its capacity to use or sell the asset;
- How the asset will generate future economic benefits;
- The availability of resources to complete the asset; and
- The ability to reliably measure the expenditure during development.

In the Statement of Financial Position, assets, arising from development expenditures, are stated at cost less accumulated amortization and accumulated impairment losses.

Amortization of the asset begins when development is complete, and the asset is available for use. It is amortized over the period of expected future economic benefit. During the development period, the asset is subject to annual impairment tests, to determine if loss of value exists.

Research costs and development costs, not eligible for capitalization, are accounted as expenses, in profit and loss, for the period.

3.3.11 IMPAIRMENT OF NON-FINANCIAL ASSETS, CASH-GENERATING UNITS, AND GOODWILL

Grupo Nutresa assesses if there is any indication that an asset, or cash-generating unit may be impaired in value, and estimates the recoverable amount of the asset or cash-generating unit, at the moment that an indication of impairment is detected, or annually (at December 31st), for goodwill, intangible assets with indefinite useful lives, and those not yet in use.

Grupo Nutresa uses its judgment, in the determination of the Cash-Generating Units (CGUs), for the purposes of impairment testing, and has defined as CGUs, those legally constituted entities, dedicated to production, assigning each one of those net assets of the legally constituted entities, dedicated to the provision of services to the producing units (in a trans-

versal or individual way). The assessment of the impairment is realized, at the level of the CGU, or Group of CGUs, that contains the asset to be assessed.

The recoverable value of an asset is the greater of the fair value, less costs to sell, either an asset or a cash-generating unit, and its value in use, and is determined for an individual asset, unless the asset does not generate cash flows that are substantially independent of other assets or groups of assets. In this case, the asset must be grouped to a cash-generating unit. When the book value of an asset or cash-generating unit, exceeds its recoverable amount, the asset is considered impaired and is reduced to its recoverable amount.

In calculating the value in use, or the fair value, the estimated future cash flows, whether of an asset or a cash-generating unit, are discounted to their present value, using a discount rate, which reflects market considerations of the value of money over time, as well as, the specific risks of the asset. For the application of fair value, disposal costs will be discounted.

The impairment losses of continuing operations are recognized in the Comprehensive Income Statement, for the period, in those expense categories that correspond to the function of the impaired asset. Impairment losses attributable to a cash-generating unit are initially allocated to goodwill and, once exhausted, the impairment losses are proportionally attributed to other non-current assets of the cash-generating unit, based upon the book value of each asset.

The impairment for goodwill is determined by assessing the recoverable amount of each CGU (or group of cash-generating units) related to the goodwill. The impairment losses related to goodwill cannot be reversed in future periods.

For assets in general, excluding goodwill, at each reporting date (at the close of each period), an assessment of whether there is any indication that impairment losses previously recognized value no longer exists or have decreased, is performed. If any such indication exists, Grupo Nutresa estimates the recoverable amount of the asset or cash-generating unit. An impairment loss, previously recognized, is reversed only if there was a change in the assumptions used to determine the recoverable value of an asset, since the last time that the last impairment loss was recognized. The reversal is limited, so that the book value of the asset does not exceed its recoverable amount, nor does it exceed the book value that would have been determined, net of depreciation, if it had not recognized impairment loss, for the asset in previous years. Such a reversal is recognized in the Comprehensive Income Statement, for the period.

3.3.12 TAXES

This includes the value of mandatory general-nature taxation in favor of the State, by way of private closeouts, that are based on the taxes of the fiscal year and responsibility of each company, according to the tax norms of national and territorial governing entities, in each of the countries where Grupo Nutresa's subsidiaries operate.

a. Income tax

(i) Current

Assets and liabilities for income tax, for the period, are measured by the values expected to be recovered or paid to the taxation authorities. The expense for income tax is recognized under current tax, in accordance with the tax clearance, between taxable income and accounting profit and loss, and is impacted by the rate of income tax in the current year, in accordance with the provisions of the tax rules of each country. Taxes and tax norms or laws used to compute these values are those that are approved at the end of the reporting period, in the countries where Grupo Nutresa operates and generates taxable income. The current assets and liabilities, for income tax, are also offset, if related to the same taxation authority, and are intended to be settled at net value, or the asset realized, and liability settled, simultaneously.

(ii) Deferred

Deferred income tax is recognized, using the liability method, and is calculated on temporary differences between the taxable bases of assets and liabilities, and the book value. Deferred tax liabilities are generally recognized for all temporary tax differences imposed, and all of the deferred tax assets are recognized for all temporary deductible differences, future compensation of tax credits, and unused tax losses, to the extent that it is likely there will be availability of future tax profit, against which, they can be attributed. Deferred taxes are not subject to financial discount.

Deferred asset and liability taxes are not recognized, if a temporary difference arises from the initial recognition of an asset or liability, in a transaction that is not a business combination, and at the time of the transaction, it impacted neither the accounting profit nor taxable profit and loss; and in the case of deferred tax liability, arising from the initial recognition of goodwill.

Deferred tax liabilities, related to investments in associates, and interests in joint ventures, are not recognized when the timing of the reversal of temporary differences can be controlled, and it is probable that such differences will not reverse in the near future, and the deferred tax assets related to investments in associates, and interests in joint ventures, are recognized only to the extent that it is probable that the temporary differences will reverse in the near future and it is

likely the availability of future tax profit, against which these deductible differences, will be charged. Deferred tax liabilities, related to goodwill, are recognized only to the extent that it is probable that the temporary differences will be reversed in the future.

The book value of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available for use, in part or in totality, or a part of the asset, from said tax. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable profit income is likely to allow for their recovery.

Assets and liabilities from deferred taxes are measured at the tax rates, that are expected to be applicable, in the period when the asset is realized, or the liability is settled, based on income tax rates and norms, that were approved at the date of filing, or whose approval will be nearing completion, by that date.

The deferred tax is recognized in profit and loss, except that one related to items recognized outside profit and loss and calculated under Decree 1311 of the Ministry of Commerce, Industry and Tourism of Colombia, in these cases it will be presented directly in reserves and retained earnings in equity.

3.3.13 EMPLOYEE BENEFITS

a. Short-terms benefits

These are, (other than termination benefits), benefits expected to be settled in its totality, before the end of the following twelve months, at the end of the annual period of which the services provided by employees, is reported. Short-term benefits are recognized to the extent that the employee renders the service, for the expected value to be paid.

b. Other long-term benefits

Long-term employee benefits, (that differ from post-employment benefits and termination benefits), that do not expire within twelve months after the end of the annual period in which the employee renders services, are remunerated, such as long-term benefits, the variable compensation system, and retroactive severance interest. The cost of long-term benefits is distributed over the time measured between the employee starting date, and the expected date of when the benefit is received. These benefits are projected to the payment date and are discounted with the projected unit credit method.

c. Pensions and other post-employment benefits

(i) Defined contribution plans

Contributions to defined contribution plans are recognized as expenses, in the Comprehensive Income Statement, for the period, on an accrual basis.

(ii) Defined benefit plans

Defined benefit plans are plans for post-employment benefits in which Grupo Nutresa has a legal or implicit obligation, of the payment of benefits. Subsidiary companies domiciled in Colombia, Ecuador, Mexico, and Peru, have actuarial liabilities, as required by law.

The cost of this benefit is determined by the projected unit credit method. The liability is measured annually, for the present value of expected future payments required to settle the obligations arising from services rendered by employees, in the current period and prior periods.

Updates of the liability, for actuarial gains and losses, are recognized in the Statement of Financial Position, against retained earnings through "other comprehensive income". These items will not be reclassified to profit and loss, in subsequent periods. The cost of past and present services, and net interest on the liability, is recognized in profit and loss, distributed among cost of sales and administrative expenses, sales and distribution, likewise as are gains and losses by reductions, in benefits and non-routine settlements.

Interest on the liability is calculated by applying the discount rate, on said liability.

Payments made to retirees are deducted from the amounts provisioned for this benefit.

d. Termination benefits

Termination benefits are provided for the period of employment termination, as a result of the Company's decision to terminate a contract of employment, before the normal retirement date; or the employee's decision to accept an offer of benefits in exchange for termination of an employment contract. Termination benefits are measured, in accordance with the provisions of the laws and the agreements, between Grupo Nutresa and the employee, at the time the decision to terminate the employment relationship with the employee, is officially released.

3.3.14 PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

a. Provisions

Provisions are recognized when, as a result of, a past event, Grupo Nutresa has a present legal or implicit obligation to a settlement, and requires an outflow of resources, that are considered probable, and can be estimated with certainty.

In cases where Grupo Nutresa expects the provision to be reimbursed in whole, or in part, the reimbursement is recognized as a separate asset, only in cases where such reimbursement is virtually certain.

Provisions are measured at best estimate of the disbursement of the expenditure required to settle the present obli-

gation. The expense relating to any provision is presented in the Comprehensive Income Statement, for the period, net of all reimbursement. The increase in the provision, due to the passage of time, is recognized as financial expense.

b. Contingent liabilities

Possible obligations, arising from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events, not wholly within the control of Grupo Nutresa, or present obligations arising from past events, that are not likely, but there exists a possibility that an outflow of resources including economic benefits is required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability, are not recognized in the Statement of Financial Position and are instead, revealed as contingent liabilities.

c. Contingent assets

Possible assets, arising out of past events and whose existence will be confirmed only by the occurrence, or possibly by the non-occurrence of one or more uncertain future events, which are not entirely under the control Grupo Nutresa, are not recognized in the Statement of Financial Position, and are however, disclosed as contingent assets, when it is a probable occurrence. When the said contingent is certain, the asset and the associated income, are recognized for that period.

3.3.15 REVENUE

Contract assets

A contract asset is the Group's right to receive a payment in exchange for goods or services that the Group has transferred to a customer, when that right is contingent upon something other than the passage of time (for example, billing or delivery of other elements, part of the contract). The Group perceives the contract assets, as current assets, since they are expected to be realized within the normal operating cycle.

The costs of contracts eligible for capitalization, as incremental costs, when obtaining a contract, are recognized as a contract asset. Contract subscription costs are capitalized when incurred if the Group expects to recover said costs. The costs of signing contracts constitute non-current assets, to the extent that it is expected to receive the economic benefits of said assets, in a period greater than twelve months. The contracts are amortized systematically and consistently, with the transfer to the customer of the services once the corresponding income has been recognized. The contract subscription costs capitalized are impaired, if the client withdraws, or if the book value of the asset exceeds the projection of the discounted cash flows that are related to the contract.

Contract liabilities

Contract liabilities constitute the Group's obligation to transfer goods or services to a customer, for which the Group has received a payment, from the end customer, or if the amount is past due.

Grupo Nutresa recognizes income from contracts with customers, based on the provisions established in IFRS 15:

- Identification of contracts with customers: a contract is defined as an agreement between two or more parties, which creates rights, and obligations, required, and establishes criteria that must be met for each contract.
- Identification of performance obligations in the contract: a performance obligation is a promise in a contract with a customer, for the transfer of a good or service.
- Determination of the price of the transaction: the transaction price is the amount of the consideration to which the Group expects to be entitled, in exchange for the transfer of the goods or services promised to a client, excluding amounts received, on behalf of third parties.
- Distribute the transaction price between the performance obligations of the contract: in a contract that has more than one performance obligation, Grupo Nutresa distributes the price of the transaction between the performance obligations in amounts that represent the amount of consideration that the Group expects to have the right to change to meet each performance obligation.
- Recognition of income, when (or as) Grupo Nutresa fulfills a performance obligation.

Grupo Nutresa meets its performance obligations at a specific point in time.

The income is measured based on the consideration specified in the contract, with the customer, and excludes the amounts received on behalf of third parties. The Group recognizes income when it transfers control over an asset. The income is presented net of value added tax (VAT), reimbursements, discounts, and after eliminating sales, within the Group.

The Group evaluates its income plans, based on specific criteria, in order to determine whether it acts as principal or agent.

Income is recognized, to the extent that the economic benefits are likely to flow to the Group, and if it is possible to reliably measure revenues and costs, if any.

The specific recognition criteria, listed below, must also be met for revenue to be recognized:

a. Sale of goods

Revenue, from the sale of goods, is recognized when the control over the products has been transferred.

b. Services rendered

Revenue from providing services is recognized when these services are rendered, or according to the degree of completion (or percentage of completion) of contracts.

c. Customer loyalty

The Group awards points to its customers for purchases, under the loyalty plan program, which can be redeemed in the future, for prizes such as household products, travel, snacks, home decoration, and discounts, among others. The points are measured, at their fair value, which corresponds to the value of the point perceived by the client, considering the different redemption strategies. The fair value of the point is calculated at the end of each accounting period. The obligation to provide these points is recorded in liabilities, as a deferred income, and corresponds to the portion of benefits pending redemption, valued at their fair value.

3.3.16 PRODUCTION EXPENSES

Indirect production costs that do not contribute to move inventories to their present location and condition, and that are not necessary for the production process, are recorded as production expenses.

3.3.17 GOVERNMENT GRANTS

Government grants are recognized when there is reasonable assurance that they will be received and all conditions linked to them will be safely met. When the grant relates to an expense item, it is recognized as income on a systematic basis, over the periods in which related costs that are intended for compensation, are recognized as expense. When the grant relates to an asset, it is recorded as deferred income and is recognized as profit or loss, on a systematic basis, over the estimated useful life of the corresponding asset.

3.3.18 FAIR VALUE

Fair value is the price that would be received in selling an asset, or paid to transfer a liability, in an orderly transaction, between independent market participants, at the measurement date.

Grupo Nutresa uses valuation techniques, which are appropriate under circumstances for which sufficient information is available to measure the fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value is determined:

- Based on quoted prices in active markets for identical assets or liabilities that the Group can access at the measurement date (Level 1)
- Based on valuation techniques commonly used by market participants, using variables other than the quoted prices that are observable for the asset or liability, either directly or indirectly (Level 2)
- Based on internal discount cash flow techniques or other valuation models, using estimated variables by Grupo Nutresa for the unobservable asset or liability, in the absence of variables observed in the market (Level 3)

Judgments include data such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could impact the reported fair value of financial instruments.

3.3.19 OPERATING SEGMENTS

An operating segment is a component of Grupo Nutresa that: engages in business activities from which it may earn income from ordinary activities and incur costs and expenses, from which it has financial information, and whose operating results are regularly reviewed by the maximum authority in making operating decisions for Grupo Nutresa, The Board of Grupo Nutresa, to decide about the allocation of resources to segments, as well as, assess performance.

The financial information of the operating segments is prepared under the same accounting policies used in the preparation of the Consolidated Financial Statements of Grupo Nutresa.

For those operational segments that overreach the quantitative threshold of 10% of income, EBITDA, and operational income, as well as, the informational segments that are considered relevant for decision making by the Board of Directors. The other segments are grouped in categories called “other segments”.

3.3.20 BASIC EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit or loss, for the period that is attributable to holders of ordinary shares, by the weighted average number of ordinary shares, outstanding.

The average number of shares outstanding, for the periods ended December 31st, 2021 is 458.948.033, and December 31st, 2020, was 460.123.458.

To calculate diluted earnings per share, profit for the period, attributable to holders of ordinary shares, and the weighted average number of shares outstanding, for all the inherent dilutive potential ordinary shares, is adjusted.

3.3.21 RELATIVE IMPORTANCE OR MATERIALITY

Information is material if its omission, inaccuracies or hiding can reasonably influence the economic decisions taken by primary users of general purpose financial statements, based on these, which provide financial information about a specific reporting entity. Materiality or relative importance depends on nature or magnitude of the information. The entity assesses whether the information individually or collectively is material or has relative importance in the context of its financial state-

ments taken as a whole.

3.4 CHANGES IN ACCOUNTING POLICIES

3.4.1 NEW REGULATIONS INCORPORATED INTO THE ACCOUNTING FRAMEWORK ACCEPTED IN COLOMBIA WHOSE APPLICATION IS MANDATORY AS OF JANUARY 1, 2023

Decree 938 of 2021 updated the technical frameworks of the Accounting and Financial Reporting Standards accepted in Colombia, mainly incorporating amendments to the standards that had already been compiled by Decrees 2270 of 2019 and 1438 of 2020, which complied with the regulations incorporated by Decrees 2420 and 2496 of 2015, 2131 of 2016, 2170 of 2017 and 2483 of 2019.

3.4.1.1 Amendment to IAS 1 - Presentation of Financial Statements - Classification of liabilities as current or non-current

The amendments issued in January 2020 clarify the criteria for classifying liabilities as current or non-current, based on the rights that exist at the end of the reporting period. The classification is not affected by the expectations of the entity or the events after the date of the report. The changes also clarify what the "settlement" of a liability refers to in terms of the standard. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.4.1.2 Amendment to IAS 16 - Property, Plant and Equipment – Proceeds before intended use

The amendment published in May 2020 prohibits the deduction of the cost of an item of property, plant and equipment from any amount arising from the sale of items produced while taking that asset to the place and conditions necessary for it to operate in the manner provided by the management. Instead, an entity would recognize the amounts of those sales in comprehensive income statement. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.4.1.3 Amendments to IFRS 3 Business Combination

The amendment issued in May 2020 approach 3 modifications to the standard in order to: update the references to the Conceptual Framework; add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 21 - Levies; and confirm that contingent assets should not be recognized on the acquisition date. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.4.1.4 Amendment to IAS 37- Provisions, Contingent Liabilities and Contingent Assets - Cost of fulfilling a contract

The purpose of this amendment, which was also published in May 2020, is to specify the costs that an entity includes when determining the "Compliance cost" of a contract for the purpose of assessing whether that contract is onerous; clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling a contract and an allocation of other costs that are directly related to the fulfillment of the contract. Before recognizing a separate provision, for an onerous contract, the entity must recognize impairment losses on the assets used to fulfill the contract. Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.4.1.5 Interest Rate Benchmark Reform

After the financial crisis, the reform and replacement of benchmark interest rates, such as GBP LIBOR and other interbank rates (IBOR) has become a priority for global regulators. There is currently uncertainty about the precise moment and nature of these changes. In order to do the transition from existing contracts and agreements that reference LIBOR, it is possible to be necessary to apply adjustments for term differences and credit differences to allow the two benchmark rates to be economically equivalent in transition.

The amendments made to IFRS 9 - Financial instruments, IAS 39 - Financial instruments: recognition and measurement and IFRS 7 - Financial instruments: disclosures provide certain alternatives in relation to the reform of the benchmark interest rate. The alternatives are related to hedge accounting and have the effect that the reforms generally should not bring hedge accounting to an end. However, any hedging ineffectiveness must continue to be recorded in the comprehensive income statement. Given the widespread nature of hedges involving interbank rate-based contracts (IBOR), the alternatives will affect companies in all industries.

The accounting policies related to hedge accounting should be updated to reflect the alternatives. Fair value disclosures may also be affected due to transfers between levels of the fair value hierarchy as markets become more or less liquid.

Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.4.1.6 Annual Improvements to IFRSs 2019-2021 Cycle

The following improvements were finished in May 2021:

- IFRS 9 - Financial instruments: clarifies which commissions should be included in the 10% test for derecognition of financial liabilities.
- IFRS 16 - Leases: modifies illustrative example 13 of the

standard to eliminate the illustration of lessor payments related to improvements to leased assets, to eliminate any confusion about the treatment of lease incentives.
- IFRS 1 – First time adoption of International Financial Reporting Standards: allows entities that have measured their assets and liabilities at the book value recorded in their parent's accounting, also measure accumulated translation exchange differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures with some conditions.
- IAS 41 - Agriculture: eliminates the requirement for entities to exclude tax cash flows when measuring fair value under IAS 41.

Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.4.1.7 Conceptual framework

The IASB has issued a revised Conceptual Framework that will be used in decisions to set standards with immediate effect. The key changes include:

- Increase the importance of management in the objective of financial information;
- Restore prudence as a component of neutrality;
- Define a reporting entity, which can be a legal entity or a part of an entity;
- Review the definitions of an asset and a liability;
- Eliminate the probability threshold for recognition and add guidelines on derecognition;
- Add guides on different measurement bases, and
- Indicate that profit or loss is the main performance indicator and that normally, income and expenses in other comprehensive income should be recycled when this improves the relevance or accurate representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that are based on the Framework to determine their accounting policies for transactions, events, or conditions that are not otherwise addressed in the accounting standards must apply the revised Framework effective January 1, 2021. These entities must consider whether its accounting policies are still appropriate under the revised Framework.

3.4.2 NEW REGULATIONS ISSUED BY THE INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB) THAT HAVE NOT YET BEEN INCORPORATED INTO THE ACCOUNTING FRAMEWORK ACCEPTED IN COLOMBIA

3.4.2.1 IFRS 17 Insurance Contracts

IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. It also requires similar principles to apply to reinsurance contracts held and investment contracts with discretionary participation components. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts to assess the effect that contracts have on an entity's financial position, financial performance and cash flows, within the scope of IFRS 17.

IFRS 17 was initially applicable to annual periods beginning on January 1, 2021, however, the application date was extended for annual periods beginning on January 1, 2023, through an amendment issued by the IASB in June 2021. Early application is allowed.

IFRS 17 repeals IFRS 4 - Insurance Contracts which was an interim standard that allowed entities to use a wide variety of accounting practices for insurance contracts, reflecting national accounting requirements and variations from those requirements. Some previous insurance accounting practices permitted under IFRS 4 did not adequately reflect the true underlying financial situations or financial performance of insurance contracts.

IFRS 17 requires a current measurement model where estimates are measured again in each reporting period. Contracts are measured using the components of:

- Discounted probability weighted cash flows;
- An explicit risk adjustment, and
- A contractual service margin (CSM) that represents the unearned profit from the contract which is recognized as income during the coverage period.

The standard allows choosing between recognizing changes in discount rates in the comprehensive income statement or directly in other comprehensive income. The choice is likely to reflect how insurers record their financial assets under IFRS 9.

An optional simplified premium allocation approach is allowed for the remaining coverage liability for short-term contracts, which are often offered by insurers that do not provide life insurance.

There is a modification to the general measurement model called "variable commission method" for certain life insurance contracts in which the insured share the returns of the underlying elements. When applying the variable commission method, the entity's participation in the changes in the fair value of the underlying items is included in the contractual service margin. Therefore, the results of insurers using this model are likely to be less volatile than in the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

Grupo Nutresa does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

NOTE 4.
JUDGMENTS, ESTIMATES, AND SIGNIFICANT ACCOUNTING ASSUMPTIONS

The preparation of Grupo Nutresa's Consolidated Financial Statements requires that management must make judgments, accounting estimates, and assumptions that impact the amount of income and expenses, assets, and liabilities, and related disclosures, as well as, the disclosure of contingent liabilities, at the close of the reporting period. The Group bases its assumptions and estimates, considering all parameters available, at the time of preparation of these Consolidated Financial Statements. In this regard, the uncertainty of assumptions and estimates could impact future results that could require significant adjustments to the book amounts of the assets or liabilities impacted.

In applying Grupo Nutresa's accounting policies, Management has made the following judgments and estimates, which have significant impact on the amounts recognized in these Consolidated Financial Statements:

- Choose, appropriately, the models, and assumptions, for the measurement of the expected credit loss.
- Establish groups of similar financial assets, in order to measure the expected credit loss.
- Determination of the compliance time of performance obligations.
- Assessment of the existence of impairment indicators, for assets, goodwill, and asset valuation, to determine the existence of impairment losses (financial and non-financial assets)
- Assumptions used in the actuarial calculation of post-employment and long-term obligations with employees
- Useful life and residual values of property, plant and equipment and intangibles
- Suppositions used to calculate the fair value of financial instruments
- Determination of the existence of financial or operating leases, based on the transfer of risks and benefits of the leased assets
- Recoverability of deferred tax assets
- Determination of control, significant influence, or joint control over an investment

In the process of applying IFRS 16, the Group considered the following relevant judgements:

The Group's leasing activities and how they are accounted: for The Group leases various properties, equipment and vehicles. Leases are normally for periods of between 1 and 15 years. The lease conditions are negotiated individually and contain a wide range of different terms and conditions. The leases do not impose any covenants, but the leased assets cannot be used as collateral for loan purposes.

Variable lease payments: Some asset leases contain variable payment terms related to the income generated by the premises. Variable lease payments that depend on revenue are recognized in the income statement in the period in which the condition that triggers such payments occurs.

Lease extension and termination options: Extension and termination options are included in the Group's lease contracts. These conditions are used to maximize operational flexibility in terms of contract management. Most extension and termination options held are exercised by the Group and the lessor.

Lease terms: In determining the term of the lease, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. The assessment is reviewed if a significant event or significant change in circumstances occurs that affects this assessment.

Discount rate: The Group determined the discount rate based on the rate of its incremental indebtedness. The determination process considered the duration of the leases, the nature and quality of the collateral and the economic environments in which the Group operates. This rate is reviewed annually and adjusted when there are significant changes.

Dismantling provision: The provision is established taking into account the interventions that the Group must make on the real estate to leave it in the condition in which it was delivered and the contractual obligations with the lessor. The provision is reviewed and adjusted annually.

NOTE 5.
BUSINESS COMBINATIONS

On July 7, 2021, the sales and purchase agreement was formalized for $92.102 in which Grupo Nutresa S. A. acquires 100% of the shares of Belina Nutrición Animal S. A, Belina Importaciones e Innovaciones Dos Mil S. A and Industrial Belina Montes de Oro S. A (Belina).

Belina is a group of companies domiciled in Costa Rica, dedicated to the production, importation and commercialization of animal feed.

The goodwill recognized of $57.903 is assigned to the "Others" segment and will not be deductible from income tax in accordance with the current tax regulations in Colombia.
The detail of the book value of the net assets initially incorporated as part of the business combination and goodwill is as below:

	2021
	Belina
Cash and cash equivalents	7.259
Trade and other receivables	15.759
Inventories	8.543
Other assets	183
Tax assets	1
Property, plant and equipment, net	22.151
Right-of-use assets	975
Financial obligations	(5.814)
Trade and other payables	(24.363)
Tax charges	(4.530)
Employee benefits	(1.158)
Other non-financial liabilities	(278)
Right-of-use liabilities	(975)
Net identifiable assets	**17.753**
(+) other intangible assets - brands	2.803
(+) other intangible assets contractual relationships with clients	20.194
(+) adjustment to the fair value of property, plant and equipment	2.778
(-) net effect on deferred tax	(7.724)
Less adjustment to the fair value of debtors	(1.605)
(+) goodwill	57.903
Negotiation value	**92.102**

Table 5

Income from ordinary activities

The income from ordinary activities and results included in the financial statements of Grupo Nutresa as of 31st of December, 2021 is, as follows:

	Belina
	Jul-Dec 2021
Income from ordinary activities	87.367
Net income	7.138

Table 6

Accounts receivable acquired

The fair value of the acquired accounts receivable and their respective impairment, is as follows:

	Belina
	July 1st of 2021
Accounts receivable	17.364
Impairment	(1.605)
Net accounts receivable	15.759

Table 7

Acquisition-related costs

Costs related to the acquisition that were not directly attributable to the issue of shares are included in administrative expenses in the income statement and in operating cash flows in the statement of cash flows.

NOTE 6.
INCOME STATEMENT FOR THE FOURTH QUARTER

The following is the Income Statement and an analysis of its line items for the period between October 1st and December 31st.

	Notes	October-December 2021	October-December 2020
Continuing operations			
Operating revenue	a	$ 3.602.981	$ 2.949.271
Cost of goods sold	e	(2.226.916)	(1.722.629)
Gross profit		$ 1.376.065	$ 1.226.642
Administrative expenses	e	(154.531)	(125.259)
Sales expenses	e	(938.234)	(842.727)
Production expenses	e	(62.976)	(61.069)
Exchange differences on operating assets and liabilities		13.424	9.818
Other operating expenses, net	f	4.499	12.264
Operating profit		$ 238.247	$ 219.669
Financial income		22.354	8.677
Financial expenses	d	(69.579)	(62.754)
Dividends		32	2
Exchange differences on non-operating assets and liabilities		9.236	(16.732)
Share of profit of associates and joint ventures		2.378	1.551
Income before tax and non-controlling interest		$ 202.668	$ 150.413
Current income tax	c	(48.163)	(43.766)
Deferred income tax	c	(9.030)	3.787
Profit after taxes from continuous operations		$ 145.475	$ 110.434
Discontinued operations, after income tax		1.103	(174)
Net profit for the period		$ 146.578	$ 110.260
Profit for the period attributable to:			
Controlling interest		$ 141.900	$ 105.974
Non-controlling interest		4.678	4.286
Net profit for the period		$ 146.578	$ 110.260
EBITDA	b	354.763	326.723

Table 8

a. Income from ordinary activities

- **Income from ordinary activities, by segments**

	fourth Quarter					
	External clients		Inter-segments		Total	
	2021	2020	**2021**	2020	**2021**	2020
Biscuits	645.880	544.446	4.168	3.086	650.048	547.532
Cold Cuts	683.912	590.055	17.460	12.698	701.372	602.753
Chocolate	551.658	483.275	14.523	11.658	566.181	494.933
Coffee	526.135	397.996	3.210	1.777	529.345	399.773
TMLUC	293.697	248.980	-	1.150	293.697	250.130
Retail Food	284.360	217.527	21	12	284.381	217.539
Ice Cream	159.110	134.786	790	573	159.900	135.359
Pastas	119.892	98.025	243	215	120.135	98.240
Others	338.337	234.181	-	-	338.337	234.181
Total segments	3.602.981	2.949.271	40.415	31.169	3.643.396	2.980.440
Adjustments and eliminations					(40.415)	(31.169)
Consolidated					3.602.981	2.949.271

Table 9

- **Income from ordinary activities, by geographical locations**

	Fourth Quarter	
	2021	2020
Colombia	2.217.492	1.831.744
United States	406.751	302.620
Central America	382.830	295.156
Chile	207.724	187.498
Mexico	91.644	74.227
Dominican Republic and the Caribbean	62.901	50.657
Peru	87.073	80.693
Ecuador	45.465	40.778
Others	101.101	85.898
Total	**3.602.981**	**2.949.271**

Table 10

- **Income from ordinary activities, by type of product**

	Fourth Quarter	
	2021	2020
Foods	1.878.572	1.703.088
Beverages	827.623	671.146
Candy y snacks	568.727	465.532
Others	328.059	109.505
Total	**3.602.981**	**2.949.271**

Table 11

b. EBITDA

	Fourth Quarter	
	2021	2020
Operating profit	**238.247**	**219.669**
Depreciation and amortization	78.551	85.045
Right-of-use depreciation	33.056	28.758
Unrealized exchange differences from operating assets and liabilities	4.909	(6.749)
EBITDA	**354.763**	**326.723**

Table 12

- **EBITDA, by operation segments**

	Fourth Quarter							
	Operating Profit		Depreciation and Amortization		Unrealized Exchange Differences from Operating Assets and Liabilities		EBITDA	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
Biscuits	34.048	46.989	15.270	15.442	604	(2.122)	49.922	60.309
Cold Cuts	19.644	49.949	14.855	16.431	2.348	(635)	36.847	65.745
Chocolate	41.805	38.283	12.804	13.330	414	(842)	55.023	50.771
Coffee	27.116	9.284	16.553	19.166	(417)	2.544	43.252	30.994
TMLUC	27.444	13.980	9.761	11.568	(275)	216	36.930	25.764
Retail Food	46.855	25.957	22.768	21.529	151	(69)	69.774	47.417
Ice Cream	12.330	13.752	7.270	6.984	598	(229)	20.198	20.507
Pastas	10.453	10.666	3.476	3.051	1.575	(1.143)	15.504	12.574
Others	18.552	10.809	8.850	6.302	(89)	(4.469)	27.313	12.642
Total segments	**238.247**	**219.669**	**111.607**	**113.803**	**4.909**	**(6.749)**	**354.763**	**326.723**

Table 13

Grupo Nutresa discloses EBITDA because Management considers that this measurement is relevant for a better understanding of the Group's financial performance. This is not a performance measurement defined in the Accounting and Financial Reporting Standards Accepted in Colombia.

c. Income tax expenses

	Fourth Quarter	
	2021	2020
Income tax	48.163	43.766
Total	**48.163**	**43.766**
Deferred taxes	9.030	(3.787)
Total income tax expenses	**57.193**	**39.979**

Table 14

d. Financial expenses

	Fourth Quarter	
	2021	2020
Loans interest	32.096	30.225
Bonds interest	-	2.491
Interest from financial leases	3	21
Total interest expenses	**32.099**	**32.737**
Employee benefits	10.466	6.038
Right-of-use financial expenses	14.140	14.127
Other financial expenses	12.874	9.852
Total financial expenses	**69.579**	**62.754**

Table 15

e. Expenditure by nature

	Fourth Quarter	
	2021	2020
Inventory consumption and other costs	1.784.464	1.305.408
Employee benefits	520.642	471.636
Other services (1)	354.800	291.520
Other expenses (2)	129.235	140.354
Transport services	138.980	116.315
Depreciation and amortization	78.551	85.045
Right-of-use depreciation	33.056	28.758
Manufacturing services	30.827	24.451
Seasonal services	58.848	66.838
Energy and gas	55.613	46.412
Advertising material	37.182	35.137
Maintenance	40.998	35.123
Taxes other than income tax	25.578	24.257
Leases	20.512	28.037
Fees	36.401	30.896
Insurance	14.763	13.224
Impairment of assets	22.207	8.273
Total	**3.382.657**	**2.751.684**

Table 16

(1) Other services include: marketing, cleaning and surveillance, shelving and displays, food, public services, commercial plan of action, software, and storage.

(2) The other expenses include spare parts, travel expenses, containers and packaging, fuels and lubricants, contributions and affil-

iations, commissions, taxis and buses, supplies and buildings, stationery and office supplies, cleaning and laboratory supplies, legal expenses and licenses and prizes.

f. Other operating income (expenses), net

	Fourth Quarter	
	2021	2020
Indemnities and recuperations	6.512	2.840
Disposal and removal of property, plant and equipment and intangibles (*)	682	(1.620)
Fines, penalties, litigation, and legal processes	(1.390)	(545)
Other income and expenses	544	1.427
Government subsidies	21	1.060
Donations	(4.509)	(4.966)
Disposal and removal of right-of-use assets	1.603	407
Leases forgiveness income	1.036	13.661
Total	**4.499**	**12.264**

Table 17

NOTE 7. OPERATING SEGMENTS

Grupo Nutresa's operating segments reflect its structure and how Management, in particular, the Board of Directors, evaluates the financial information for decision-making in operational matters. For the administration, businesses are assessed by combining geographic areas and types of products. The segments for which financial information are presented, as follows:

- **Cold Cuts**: Production and sale of processed meats (sausage, pepperoni, ham, bologna and burgers), matured meat (Serrano ham, Spanish chorizo, and salami), ready to eat meals, canned foods, and mushrooms
- **Biscuits**: the production and commercialization of sweet flavored cookies lines, with crème and wafers, salty crackers, and snacks, and healthy and functional foods
- **Chocolate**: Production and sale of chocolate bars, chocolate (bars and milk modifiers), chocolate candies, snacks, cereal bars, and nuts
- **TMLUC**: Stands for Tresmontes Lucchetti, a business unit that produces and sells: instant cold drinks, pasta, coffee, snacks, edible oil, juices, soups, desserts, and teas
- **Coffee**: Production and marketing of roasted and ground coffee, instant coffee (powdered, granulated, and freeze-dried), and coffee extracts.
- **Retail Foods**: Formats established for direct sale to consumers, like restaurants and ice cream parlors, hamburger products, prepared meats, pizza, ice cream, and yogurt are offered.
- **Ice Cream**: This segment includes desserts, water and milk-based ice cream pops, cones, Ice cream by the liter, as well as ice cream cups and biscuits with ice cream
- **Pasta**: Produced and sold in Colombia, as short, long, egg, with vegetables, with butter, and instant pasta.

The Board of Directors monitors the operating results of the Business Units separately, for the purposes, of making decisions about allocating resources and assessing financial performance. The financial performance of the segments is evaluated, based on operating revenues and EBITDA generated, which are measured uniformly with the Consolidated Financial Statements. Financing operations, investment, and tax management are managed centrally, and are therefore, not allocated to operating segments.

The Management Reports, and the ones generated by accountancy of the Group, use the same policies, as described in the note of accounting criteria, and there are no differences, in totality, between the total measurements of results, with respect to the accounting policies applied.

Transactions between segments correspond mainly to sales of finished products, raw materials, and services. The sales price between segments corresponds to the cost of the product, plus a profit margin. These transactions are eliminated in the Consolidated Financial Statements.

Assets and liabilities are managed by the administration of each of the subsidiaries of Grupo Nutresa; no segment allocation is assigned.

There are no individual customers whose transactions represent more than 10% of Grupo Nutresa's income.

7.1 OPERATING INCOME FROM CONTRACTS WITH CLIENTS:

Revenues are recognized once control has been transferred to the customer. Some goods are sold with discounts that are recognized at the moment when the income is invoiced, and others with the fulfillment of goals by the client. Revenue is recognized, net of these discounts. The Group's experience is used, to estimate and provide discounts, using the expected value method, and revenues are only recognized to the extent that it is highly likely that a significant reversal will not occur. A reimbursement liability (included in commercial accounts and

other accounts payable) is recognized for the expected volume discounts, payable to customers in relationship to the sales realized, to the end of the reporting period. No element of financing is considered present, since sales are realized with a credit term that in some cases, can reach up to 90 days, which is consistent with the practice of the market. Grupo Nutresa does not recognize any guarantee, on the products it sells. At December 31st, 2021 and 2020, the Group did not incur incremental costs, to obtain contracts with its customers, nor other costs associated with the execution of the contract.

a. Income from ordinary activities, by segments

	External clients		Inter-segments		Total	
	2021	2020	**2021**	2020	**2021**	2020
Biscuits	2.248.701	2.223.679	14.872	11.415	2.263.573	2.235.094
Cold Cuts	2.356.299	2.145.265	51.447	30.692	2.407.746	2.175.957
Chocolate	1.964.873	1.737.201	48.277	38.656	2.013.150	1.775.857
Coffee	1.882.553	1.591.087	7.742	9.406	1.890.295	1.600.493
TMLUC	1.202.610	1.117.290	-	4.734	1.202.610	1.122.024
Retail Food	964.040	660.356	68	103	964.108	660.459
Ice Cream	575.308	482.535	1.482	2.735	576.790	485.270
Pastas	426.461	404.555	983	728	427.444	405.283
Others	1.117.426	765.573	-	-	1.117.426	765.573
Total segments	**12.738.271**	**11.127.541**	**124.871**	**98.469**	**12.863.142**	**11.226.010**
Adjustments and eliminations					(124.871)	(98.469)
Consolidated					**12.738.271**	**11.127.541**

Table 18

b. Information by geographical locations

The breakdown of sales to external customers is herewith detailed, by primary geographical locations, where the Group operates, and is as follows:

	2021	2020
Colombia	7.779.289	6.691.219
United States	1.457.234	1.310.335
Central America	1.297.453	1.131.776
Chile	811.974	801.535
Mexico	376.730	306.948
Dominican Republic and the Caribbean	237.534	188.297
Peru	254.705	241.306
Ecuador	162.178	155.771
Others	361.174	300.354
Total	**12.738.271**	**11.127.541**

Table 19

Sales information is realized with consideration of the geographical location of the end-user customer.

c. Information by type of product

Given that some segments are also categorized by geographical location, sales to external customers are presented by product category, as follows:

	2021	2020
Foods	6.433.917	5.854.414
Beverages	3.105.776	2.774.328
Candy y snacks	2.080.955	1.657.337

Others	1.117.623	841.462
Total	**12.738.271**	**11.127.541**

Table 20

d. Calendar of recognition of revenue from ordinary activities:

Grupo Nutresa transfers the goods it sells, at a specific moment in time. It does not have performance obligations that are satisfied over time. The contracts that the Group has with its customers are short-term.

7.2. EBITDA

	Operating Profit		Depreciation and Amortization (Note 32)		Unrealized Exchange Differences from Operating Assets and Liabilities (Note 34)		EBITDA	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
Biscuits	145.641	240.624	58.838	60.882	415	(264)	204.894	301.242
Cold Cuts	166.412	224.162	58.105	61.924	2.746	(2.006)	227.263	284.080
Chocolate	210.273	181.818	51.112	49.902	1.122	647	262.507	232.367
Coffee	170.844	164.359	55.106	53.433	(1.316)	(209)	224.634	217.583
TMLUC	105.634	100.027	42.917	44.575	(726)	331	147.825	144.933
Retail Food	137.586	(5.313)	87.313	87.961	51	45	224.950	82.693
Ice Cream	60.857	50.013	28.066	27.874	920	(129)	89.843	77.758
Pastas	46.979	49.425	12.843	12.623	1.154	559	60.976	62.607
Others	61.071	14.473	26.354	22.210	2.074	3.630	89.499	40.313
Total segments	**1.105.297**	**1.019.588**	**420.654**	**421.384**	**6.440**	**2.604**	**1.532.391**	**1.443.576**

Table 21

Grupo Nutresa discloses EBITDA because Management considers that this measurement is relevant for a better understanding of the Group's financial performance. This is not a performance measurement defined in the Accounting and Financial Reporting Standards Accepted in Colombia.

NOTE 8.
INVESTMENTS IN SUBSIDIARIES

The following details financial information of the major subsidiaries that represent 94% of the gross equity of Grupo Nutresa. This information was taken from the Individual Financial Statements of the subsidiaries at December 31st, certified and audited, subject to prescribed legal norms, in each country, where they operate, which are homologized, in order to, apply, in a uniform manner, the accounting policies and practices of the Parent and translated to the Colombian peso for the purposes of consolidation.

	2021					2020				
	Assets	**Liabilities**	**Equity**	**Profit for the Period**	**Other Comprehensive income for the period**	Assets	Liabilities	Equity	Profit for the Period	Other Comprehensive income for the period
Subsidiaries directly or indirectly 100% owned by Grupo Nutresa										
Grupo Nutresa S. A.	9.239.574	107.395	9.132.179	684.819	-	8.425.618	102.819	8.322.799	583.241	-
Compañía de Galletas Noel S.A.S.	2.531.641	882.618	1.649.023	100.564	-	2.319.187	821.764	1.497.423	121.850	-
Alimentos Cárnicos S. A. S.	2.390.816	1.287.902	1.102.914	126.550	-	2.283.594	1.246.470	1.037.124	108.951	-

	2021					2020				
	Assets	**Liabilities**	**Equity**	**Profit for the Period**	**Other Comprehensive income for the period**	Assets	Liabilities	Equity	Profit for the Period	Other Comprehensive income for the period
Compañía Nacional de Chocolates S. A. S.	2.035.374	819.071	1.216.303	111.270	-	1.923.634	759.992	1.163.642	106.579	-
Nutresa Chile S. A.	1.635.368	246	1.635.122	26.635	(830)	1.648.868	323	1.648.545	19.777	374
Industria Colombiana de Café S.A.S.	1.598.377	890.895	707.482	58.928	-	1.441.518	794.864	646.654	29.897	-
American Franchising Corp. (AFC)	1.395.212	5.831	1.389.381	(46)	1.832	1.151.726	1	1.151.725	(87)	2
Tresmontes S. A.	1.359.970	351.223	1.008.747	34.322	(1.328)	1.327.080	337.052	990.028	12.506	(1.370)
Servicios Nutresa S. A. S.	1.237.114	1.232.298	4.816	2.816	-	1.166.531	1.166.141	390	1.544	-
Compañía de Galletas Pozuelo DCR S. A.	1.039.594	159.182	880.412	31.697	656	944.292	180.001	764.291	57.132	(6.641)
Abimar Foods Inc.	880.003	493.014	386.989	(1.808)	2.710	764.209	439.242	324.967	(1.705)	412
Meals Mercadeo de Alimentos de Colombia S. A. S.	784.206	514.149	270.057	32.828	-	751.211	518.862	232.349	11.756	-
Lucchetti Chile S. A.	657.234	65.415	591.819	12.638	(502)	664.865	70.536	594.329	20.376	584
Gestión Cargo Zona Franca S. A. S.	534.140	222.028	312.112	23.101	-	332.307	174.415	157.892	21.978	-
Compañía Nacional de Chocolates del Perú S. A.	458.054	102.267	355.787	9.871	230	433.915	73.356	360.559	13.401	(1.371)
Novaventa S. A. S.	426.755	197.471	229.284	60.639	-	427.206	190.135	237.071	45.179	-
Comercial Nutresa S. A. S.	423.399	350.260	73.139	26.561	-	448.660	404.066	44.594	18.753	-
IRCC S. A. S. - Industria de Restaurantes Casuales S. A. S.	410.149	387.119	23.030	28.735	-	530.769	540.151	(9.382)	(37.623)	-
Tresmontes Lucchetti S. A.	401.490	208.213	193.277	18.389	(836)	393.026	194.394	198.632	19.230	552
Productos Alimenticios Doria S. A. S.	379.982	264.091	115.891	30.288	-	346.784	224.315	122.469	23.309	-
Other societies (*)	3.128.312	1.143.450	1.984.862	167.516	1.316	3.066.346	1.276.513	1.789.833	71.114	13.125
Subsidiaries with non-controlling interest										
La Recetta Soluciones Gastronómicas Integradas S. A. S.	89.191	87.669	1.522	(186)	-	81.611	80.081	1.530	291	-
Helados Bon S. A.	109.305	54.562	54.743	19.126	570	77.980	44.241	33.739	8.002	1.375
Atlantic FS S. A. S.	114.741	60.333	54.408	20.263	-	83.882	49.775	34.107	6.476	-
Setas Colombianas S. A.	69.555	18.633	50.922	3.760	-	68.559	19.445	49.114	4.821	-
Fondo de capital privado BTG PACTUAL	-	-	-	-	-	68.618	38.283	30.335	268	-
Novaceites S. A.	72.633	6.540	66.093	5.061	(148)	74.043	7.498	66.545	6.525	13
Schadel Ltda. Schalin Del Vecchio Ltda.	20.986	15.352	5.634	(914)	-	19.994	13.399	6.595	(1.223)	-
Productos Naturela S. A. S.	5.413	832	4.581	755	-	5.018	799	4.219	786	-

Table 22

(*) Other subsidiaries include equity of $1.984.862 (2020: $1.789.833) for the following companies: Industria de Alimentos Zenú S. A. S., Tresmontes Lucchetti México S. A. De C. V., Alimentos Cárnicos de Panamá S. A., Tresmontes Lucchetti Inversiones S. A., Cameron's Coffee & Distribution Company, CCDC OpCo Holding Corporation, Compañía Americana de Helados S. A., Tresmontes Lucchetti Servicios S. A., Nutresa S. A. de C. V., Industrias Aliadas S. A. S. Cordialsa Usa Inc., Servicios Nutresa Costa Rica S. A., Molinos Santa Marta S. A. S., Compañía Nacional de Chocolates DCR. S. A., PJ COL S. A. S., Inversiones Tresmontes S. A., Comercial Pozuelo Guatemala S. A., Corp. Distrib. de Alimentos S. A (Cordialsa), LYC S. A. S., Belina Nutrición Animal S. A., Pastas Comarrico S. A. S., Opperar Colombia S. A. S., Distribuidora POPS S. A., Basic Kitchen S. A. S., Inverlogy S. A. S., Industrial Belina Montes de Oro S. A., Tropical Coffee Company S. A. S., Comercial Pozuelo Nicaragua S. A., New Brands S. A., Comercial Pozuelo El Salvador S. A. de C. V., Belina Importaciones e Innovaciones Dos Mil S. A., KIBO FOODS LLC, Industrias Lácteas Nicaragua S. A., Nutresa South Africa, Aliados Comerciales Alternativos S de R.L. de C.V., Procesos VA S. A. S., C.I. Nutrading S. A. S., Tabelco S. A. S., TMLUC Argentina S. A.

NOTE 9.
CASH AND CASH EQUIVALENTS

Cash and cash equivalents at December 31st includes the following:

	2021	2020
Cash and banks	551.499	717.765
Short-term investments	311.207	215.799
Total	**862.706**	**933.564**

Table 23

Short-term collocations are realized for varying periods of between one day and three months, depending on the immediate cash requirements of the Group and accrue interest at market rates of the respective short-term collocations. Balances with banks accrue interest at variable rates based on the return daily bank deposit rates. The average returns on cash and cash equivalents, in all currencies, is 1,3% (2020: 1,7%).

At the close of December, $30.356 (2020: $6.660) was allocated as deposits, to support derivative contracts, as collateral or adjustments for margin call. On all other values, there are no restrictions for availability.

At December 31st, 2021, the Group had $4.371.770 (2020: $3.569.679) available in committed unused credit lines.

NOTE 10.
TRADE AND OTHER ACCOUNTS RECEIVABLES, NET

Trade and other accounts receivables, are as follows:

	2021	2020
Clients	1.384.779	1.123.665
Accounts receivable from employees	39.080	37.930
Accounts receivable from related parties	20.916	15.108
Loans to third-parties	11.623	992
Dividends receivable (Note 11)	9.205	16.376
Other accounts receivable	13.364	53.386
Impairment	(51.964)	(29.198)
Total trade and accounts receivable	**1.427.003**	**1.218.259**
Current portion	**1.382.671**	**1.191.711**
Non-current portion	**44.332**	**26.548**

Table 24

As of December 31st, accounts receivable from customers have the following stratifications:

	2021	2020
Not overdue	1.020.297	786.983
Up to 90 days	289.895	282.242
Between 91 and 180 days	17.238	27.678
Between 181 and 365 days	31.178	17.667
More than 365 days	26.171	9.095
Total	**1.384.779**	**1.123.665**

Table 25

To ensure recovery of trade debts and other accounts receivable, "blank promissory notes" are constituted with letters of instruction, advances are solicited, bank guarantees, and, in some cases, collateral is requested. For loans to employees, mortgages, and pledges are constituted, and promissory notes are signed.

According to the Company's assessment of historical information and the portfolio analysis at December 31st, 2021, there is no objective evidence that overdue balances receivable, present material risks of impairment, that imply adjustments to the impairment recorded in the Financial Statements on those dates, however, Justo & Bueno client portfolio balance is being permanently evaluated due to the fact that there is an increase in the risk of bad debts due to the economic situation of the third party.

The reconciliation of recognized impairment on accounts receivable, is as follows:

	2021	2020
Book value at January 1st	**29.198**	**21.853**
Impairment losses recognized during the period	46.904	29.989
Use during the period	(26.260)	(22.199)
Reversal of impairment losses for the period	(248)	(212)
Exchange differences	775	(177)
Increase from acquisition	1.605	-
Other changes	(10)	(56)
Book value at December 31st	**51.964**	**29.198**

Table 26

The book amount of accounts receivable from customers, is denominated in the following currencies:

	2021	2020
Colombian Pesos	600.134	513.492
US Dollars	392.633	277.044
Other currencies	392.012	333.129
Total	**1.384.779**	**1.123.665**

Table 27

NOTE 11.
INVENTORIES

The balance of inventories, at December 31st, includes the following:

	2021	2020
Raw materials	556.042	404.601
Works-in-progress	110.686	89.694
Finished products	638.744	536.896
Packing materials	157.111	117.986
Consumable materials and spare parts	110.497	98.761
Inventories in transit	172.365	136.095
Adjustments to the net realizable values	(2.883)	(4.049)
Total	**1.742.562**	**1.379.984**

Table 28

The cost of the inventories, recognized as the cost of the merchandise sold, during the period with respect to the continuous operations of the Consolidated Income Statement, corresponds to $7.218.160 (2020: $6.072.405).

Write-off inventories are recognized as expenses, in the amount of $60.299, during the period 2021 (2020: $65.917); these penalties are within the normal range expected by the Group, according to, the production process, and associated with factors of the type of product, such as expiration dates, rotation, and handling of food.

The impairment of inventories is determined based on an analysis of the conditions and the rotation of inventories. The estimate is recorded, against the results of the year, in the amount of $$426 (2020: $943).

As of December 31st of 2021 and 2020, inventories do not have restrictions that limit their negotiability or realization and there are no inventories committed as collateral for liabilities. The Group expects to realize its inventories, in less than 12 months.

NOTE 12.
BIOLOGICAL ASSETS

The following is a breakdown of biological assets:

	2021	2020
Biological assets - Cattle	95.354	46.127
Biological assets - Pig	92.605	77.145
Crops	23.419	4.342
Total	**211.378**	**127.614**
Current portion	**191.894**	**127.614**
Non-current portion	**19.484**	**-**

Table 29

The following are the amounts and principal locations of the biological assets:

	Quantities		Location
	2021	2020	
Biological assets – Cattle[1]	40.448 Uds.	26.148 Uds.	Antioquia, Córdoba, Cesar, Santander, Sucre, Caldas and Meta - Colombia
Biological assets – Pig[1]	110.259 Uds.	116.290 Uds	Antioquia and Caldas - Colombia
	11.267 Uds.	12.523 Uds	Provincia de Oeste - Panamá
Forest plantations			
Mushroom crops[2]	41.080 mts2	41.080 mts2	Yarumal - Colombia
Cocoa plantations (Timber trees)[3]	483 Ha.	-	Antioquia and Santander - Colombia

Table 30

[1] Livestock farming, in Colombia, is realized through owned-farms, farms in participation, and leased farms; its production is used as raw material for the development of business products of the Cold Cuts Business.

Pigs and cattle, in Colombia and Panama, are measured at fair value, using as a reference, the market values, published by the National Association of Pig Farmers and livestock auctions at fairs, in each location; this measurement is at the Level 2 of the fair value hierarchy, of IFRS 13. At December 31st, 2021, the price per average kilo of the pig livestock used in the valuation was $8.593(*) (2020: $7.305(*)); for cattle a price per average kilo of $6.856(*) (December 2020: $4.840(*)) was used.

(*) In Colombian Pesos.

The value of pigs that are produced in Panama, in December 2021, is $13.931 (2020: $8.791), as of 2021, they are measured at fair value, using the market values of suppliers as a reference, the average price per kilo of live pigs as of December 31 in the valuation was USD $2.15.

Profit for the period, due to changes in fair value, minus the costs to sell of biological assets at December 31st, 2021 were $11.508 (2020: $13.131), and is included in the profit and loss, in operating income.

(2) Mushroom crops are used by Setas Colombianas S.A., in its production processes to be marketed in different presentations, located in Yarumal, Colombia. It is measured under the cost model, considering that there is no active market for these crops, and that the productive cycle is short-term, close to 90 days.

(3) The cocoa plantations include 483 hectares, located in the departments of Antioquia and Santander in Colombia, whose purpose is to promote the development of cocoa cultivation through agroforestry systems (Cacao – Timber trees) by means of the country's farmers.

Non-current biological assets correspond to timber trees that used for shading cocoa plantations, and have an average life of 25 years.

At the end of the reporting period, and the comparative period, there are no restrictions on the ownership of the Group's biological assets, nor significant contractual commitments, for its development or acquisition, and have not been pledged, as collateral for debt compliance.

NOTE 13.
OTHER ASSETS

Other assets are comprised of the following:

	Notes	2021	2020
Current taxes (Note 22.2)	22.2	244.826	170.607
Prepaid expenses (1)		43.077	41.686
Financial derivative instruments		99.247	15.794
Other financial instruments measured at fair value		27.605	-
Total other current assets		**414.755**	**228.087**
Non-current taxes (Note 22.2)	22.2	11.066	11.282
Prepaid expenses		9.025	7.971
Other financial instruments measured at fair value (2)		-	68.194
Total other non-current assets		**20.091**	**87.447**
Total other assets		**434.846**	**315.534**

Table 31

(1) The expenses paid in advance, correspond mainly to insurance in the amount of $17.816 (2020: $16.185), leases in the amount of $83 (2020: $112), and contractors in the amount of $0 (2020: $10).

(2) In August 2021, "Fondo del capital privado Cacao para el Futuro - Compartimento A" in cocoa plantations is liquidated, and the right over the forest area of cacao cultivation was executed.

NOTE 14.
NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale, are as follows:

	Notes	2021	2020
Land		80	80
Constructions in progress		97	97
		177	**177**

Table 32

NOTE 15.
INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Investments in associates and joint ventures are as follows:

	Country	% Participation	2021	2020
Associates				
Bimbo de Colombia S.A.	Colombia	40%	141.855	137.489
Dan Kaffe Sdn. Bhd	Malasia	44%	39.679	33.948
Estrella Andina S.A.S.	Colombia	30%	18.220	10.615
Wellness Food Company S.A.S.	Colombia	23,33% (2020 – 20%)	856	610
Internacional Ejecutiva de Aviación S.A.S.	Colombia	25%	3.119	-
Joint ventures				
Oriental Coffee Alliance Sdn. Bhd	Malasia	50%	12.281	11.455
Orienta Coffe Alliance Inc.	Filipinas	50%	1.811	2.381
Total associates and joint ventures			**217.821**	**196.498**

Table 33

	Country	% Participation	2021			2020		
			Dividend Income	**Share of Profit and Loss for the Period**	**Share of Other Comprehensive Income**	Dividend Income	Share of Profit and Loss for the Period	Share of Other Comprehensive Income
Associates				-	-			
Bimbo de Colombia S. A.	Colombia	40%	-	(1.638)	6.004	-	(2.845)	1.214
Dan Kaffe Sdn. Bhd	Malasia	44%	(857)	3.261	3.327	(516)	1.650	1.523
Estrella Andina S. A. S.	Colombia	30%	-	(592)	-	-	(2.602)	-
Wellness Food Company S. A. S.	Colombia	23,33% (2020 – 20%)	-	(42)	-	-	(3)	-
Internacional Ejecutiva de Aviación S.A.S.	Colombia	25%	-	(864)	539	-	-	-
Joint ventures								
Oriental Coffee Alliance Sdn. Bhd	Malasia	50%	-	(370)	1.196	-	(550)	594
Oriental Coffee Alliance, Inc	Filipinas	50%	-	(768)	198	-	(122)	(104)
Total associates and joint ventures			**(857)**	**(1.013)**	**11.264**	**(516)**	**(4.472)**	**3.227**

Table 34

Bimbo de Colombia S.A. is a company domiciled in Tenjo, Colombia, dedicated primarily to the manufacturing of baked goods.

Dan Kaffe Sdn. Bhd. is a company domiciled in Johor Bahru, Malaysia, dedicated to the production of frozen coffee extract and dry instant coffee. It is a strategic partner for the coffee business, due to their high production standards, ideal location, and growth potential, as it allows for combination of the world-class Colcafé, soluble coffee experience, and with deep knowledge of the Japanese partner of the Asian market, the flavor, ingredients, and advanced technologies, provisioning capabilities of pending raw materials, and widespread commercial network, throughout the region.

Estrella Andina S.A.S. is a simplified joint stock company domiciled in Bogota, Colombia, engaged in the marketing of ready-made meals in coffee shops.

Wellness Food Company S.A.S. is a simplified joint stock company domiciled in Itagui, Colombia, dedicated mainly to the elaboration of dairy products and other types of prepared foods.

Internacional Ejecutiva de Aviación S.A.S. is a company dedicated to the provision of public commercial air transport services, not regular passengers, mail and cargo, including the realization of charter flights on national and international routes in accordance with current regulations and international conventions on civil aviation, as well as the performance of activities and complementary and related services to air transport service.

Oriental Coffee Alliance Sdn. Bhd. is a company domiciled in Kuala Lumpur, Malaysia, dedicated to the sale of Dan Kaffe Malaysia (DKM) products, as well as some Colcafé products and part of the Group, in Asia. This partnership with the Mitsubishi Corporation, allows Grupo Nutresa to advance their initially set objectives, with the acquisition of DKM, to expand its role in the global coffee industry, diversify production, and the origin of its soluble coffee, and break into the rapid growth market of coffee in Asia.

Oriental Coffee Alliance, Inc is a Company domiciled in Taguig – Philippines, conformed with the objective of participating, conducting and developing the business of purchase, sale, distribution, marketing, enter into all types of export, import, purchase, acquisition, sale and other provisions agreements by itself as principal or representative as manufacturing representatives. , merchandise broker, indenter, commission merchant, factors or agents in the shipment of coffee-related products, including but not limited to instant coffee, ready-to-drink products, coffee extract, and roast and ground coffee, but excluding green grains to provide direction, supervision and support, including but not limited to marketing and sales, to affiliates and / or incorporated subsidiaries, including future affiliates and / or subsidiaries that may be incorporated, that will conduct the manufacturing and marketing business; and developing business opportunities related to coffee and other food products in Asian countries and elsewhere. This Company is part of Grupo Nutresa's strategy of association with Mitsubishi Corporation, which allows it to advance in the objectives initially set with the acquisition of DKM to enter to the fast-growing coffee market in Asia.

The movements of the book value of the investments in associates and joint ventures, are as follows:

	2021	2020
Opening balance at January 1st, 2021	**196.498**	**193.360**
Increase of contributions (*)	11.929	4.900
Dividend income	(857)	(516)
Participation in profit and loss, for the period	(1.013)	(4.472)
Participation in other comprehensive income	11.264	3.226
Balance at December 31st, 2021	**217.821**	**196.498**

Table 35

- In April 2021, Grupo Nutresa S. A. made an acquisition of 1,125,000 shares of Internacional Ejecutiva de Aviación S.A.S. equivalent to 25% of the capital for $ 3,444, which were paid in full. An increase was made in the capital of Estrella Andina S. A. S. for $ 8,197, without generating changes in the percentage of participation, which were paid in full.
- In May 2021, a subscription of shares of Wellness Food Company S.A. S. was made for $ 288, increasing its participation to 23.33%, which were paid in full.
- In July 2020, Industria Colombiana de Café S.A.S. invested $ 2.607 in Oriental Coffee Alliance Inc in Philippines with a participation of 50%. In June 2020, Estrella Andina S. A. S.'s capital was increased in which Grupo Nutresa invested $2.293, without generating changes in the percentage of participation, which was paid in full.
- As of December 31st, 2021, $857 (2020: $ 516) was received in dividends from Dan Kaffe Sdn. Bhd.

Neither of the associates nor joint ventures maintained by the Group is listed on a stock market; therefore, there is no comparable quoted market price for the investment.

The following is a summary of financial information of associates and joint ventures used in the application of the *Equity Method*:

	2021					2020				
	Assets	**Liabilities**	**Equity**	**Profit and Loss**	**Total Comprehensive Income for the Period**	Assets	Liabilities	Equity	Profit and Loss	Total Comprehensive Income for the Period
Associates										
Bimbo de Colombia S.A.	738.816	384.179	354.637	(4.096)	14.070	684.582	340.859	343.723	3.568	1.577
Dan Kaffe Sdn. Bhd	132.188	38.045	94.143	7.387	-	103.082	23.866	79.216	3.738	-
Estrella Andina S.A.S.	104.779	43.874	60.905	(1.974)	-	77.965	42.409	35.556	(8.672)	-
Wellness Food Company S A S	1.381	402	979	(200)	-	1.000	398	602	9	-
Internacional Ejecutiva de Aviación S.A.S.	168.232	168.819	(587)	(3.452)	-	-	-	-	-	-
Joint Ventures	2.035.374	819.071	1.216.303	111.270	-	1.923.634	759.992	1.163.642	106.579	-
Oriental Coffee Alliance Sdn. Bhd	22.716	154	22.562	(739)	-	21.252	342	20.910	(1.101)	-
Oriental Coffee Alliance Inc.	6.193	2.572	3.621	(1.536)	-	5.095	334	4.761	(243)	-

Table 36

None of the associates and joint ventures, held by the Group, are listed on a stock market, and consequently, there are no quoted market prices, for the investment.

NOTE 16.
OTHER NON-CURRENT FINANCIAL ASSETS

Grupo Nutresa classifies portfolio investments that are not held for trading, as equity investments measured at fair value, through "other comprehensive income".

The results for the period include income from dividends on said instruments, and are recognized, by Nutresa, on the date that the right to receive future payments is established, which is the date of declaration of dividends by the issuing Company. The "other comprehensive income" includes changes in the fair value of these financial instruments.

The breakdown of financial instruments, is as follows:

Book value	Number of Shares Held	Participation as % in Total Ordinary Shares	**2021**	2020
Grupo de Inversiones Suramericana S.A.	61.021.436	13,07% (2020 - 13,01%)	1.830.643	1.542.622
Grupo Argos S.A.	82.300.360 (2020: 79.804.628)	12,51% (2020 - 12,37%)	1.115.170	1.109.284
Other companies (*)			82.390	27.085
Total			**3.028.203**	**2.678.991**

Table 37

	2021		2020	
	Dividend Income	**Profit (loss) on Fair Value Measurement**	Dividend Income	Loss on Fair Value Measurement
Grupo de Inversiones Suramericana S. A.	36.820	288.021	38.687	(532.107)
Grupo Argos S. A.	30.485	(24.600)	30.007	(311.238)
Other companies	485	24.717	577	-
	67.790	**288.138**	**69.271**	**(843.345)**

Table 38

The value of the dividend per share declared for 2021 by Grupo from Inversiones Suramericana S. A. was $603,40 pesos per share, payable quarterly in the amount of $150,85 pesos. Grupo Argos S. A. declared a dividend of $382 pesos per share, payable in a single cash installment in full or 50% of the cash dividend and 50% in shares or 100% in shares.

In April 2021, 2.495.732 shares were received as dividend payment from Grupo Argos at a value of $ 12.215 per share, equivalent to $30.485.

For 2020 the annual value per share was $376 pesos ($94 pesos quarterly) for Grupo Argos S. A. and $583 pesos ($145,75 pesos quarterly) for Grupo de Inversiones Suramericana S. A.

Income from dividends, recognized as of December 2021 for portfolio investments corresponds primarily to the total annual dividend declared by the issuers.

As of December 31st, 2021 there is receivable for dividends from financial instruments $9.205 (2020: $16.376).

Dividends received generated an effect on cash flow as of December 31st, 2021 of $74.961 (2020: $68.268).

(*) In May 2021, 752.682 series A preferred shares of Shiru INC were bought for $6.487 and in September 2021 3.234.591 series C2 preferred shares were acquired from Cheetah Technologies, INC. for $11.159.

As of December 31st, 2021 and December 31st, 2020 there were pledges on 20.786.846 shares of Grupo de Inversiones Suramericana S.A. in favor of financial entities in Colombia as security for obligations assumed by Grupo Nutresa and its subsidiaries.

MEASUREMENT AT FAIR VALUE

The fair value of shares traded and that are classified as high trading volume is determined based on the price quoted on the Colombian Stock Exchange; this measurement is in the Hierarchy 1, established by IFRS 13 for measuring fair value. This category includes investments held by Grupo Nutresa in Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. This measurement is realized monthly and as of December 31st, 2021 generated profit of $263.421 (2020: loss of $843.345), recognized in the other comprehensive income. In the case of other investments, when their book value is material, the measurement is made annually using valuation techniques recognized and accepted under IFRS 13.

The following is the value per share, used in the valuation of investments listed on the Colombian Stock Exchange:

Price per share (in pesos)	**2021**	2020
Grupo de Inversiones Suramericana S. A.	30.000	25.280
Grupo Argos S. A.	13.550	13.900

Table 39

Investments in other companies classified in this category are measured at fair value on a non-recurrent basis, only when a market value is available.

There have been no changes in the fair value hierarchy for the measurement of these investments, nor have there been changes in the valuation techniques used.

NOTE 17.
PROPERTY, PLANT AND EQUIPMENT, NET

The movement of property, plant and equipment occurring during the period, is as follows:

2021

	Land	Buildings	Machinery and Production Equipment	Transportation Equipment	Computer Equipment	Office Equipment	Leasehold Improvements	Assets in Progress	Plantations in production(*)	Plantations in development (*)	Total
Cost	818.735	946.687	3.029.852	31.440	52.225	60.597	176.378	243.402	6.323	7.868	5.373.507
Depreciation and/ or impairment	(356)	(282.430)	(1.464.312)	(24.670)	(39.249)	(44.380)	(83.617)	-	(287)	-	(1.939.301)
Balance at January 1st, 2021	**818.379**	**664.257**	**1.565.540**	**6.770**	**12.976**	**16.217**	**92.761**	**243.402**	**6.036**	**7.868**	**3.434.206**
Acquisitions	-	485	8.034	1.216	4.259	667	8.491	359.164	-	-	382.316
Disposals	-	-	(1.616)	(101)	(43)	(67)	(55)	(148)	(32.428)	-	(34.458)
Depreciations	-	(35.820)	(195.922)	(3.123)	(5.543)	(5.210)	(20.143)	-	(542)	-	(266.303)
Impairment recovery	-	-	518	-	-	-	-	-	-	-	518
Transfers	-	5.440	100.401	1.014	912	846	(1.280)	(107.867)	41.196	9.908	50.570
Business combinations	4.412	9.800	9.987	617	5	106	-	-	-	-	24.927
Exchange translation impact	9.332	20.428	50.273	414	308	766	1.906	889	-	-	84.316
Capitalization and consumption	-	-	-	-	-	-	-	-	-	839	839
Cost	832.536	995.242	3.213.606	36.978	57.326	64.046	182.848	495.440	15.062	18.615	5.911.699
Depreciation and/ or impairment	(413)	(330.652)	(1.676.391)	(30.171)	(44.452)	(50.721)	(101.168)	-	(800)	-	(2.234.768)
Balance at December 31st, 2021	**832.123**	**664.590**	**1.537.215**	**6.807**	**12.874**	**13.325**	**81.680**	**495.440**	**14.262**	**18.615**	**3.676.931**

Cost reconciliation

Cost balance at January 1st, 2021	**818.735**	**946.687**	**3.029.852**	**31.440**	**52.225**	**60.597**	**176.378**	**243.402**	**6.323**	**7.868**	**5.373.507**
Acquisitions	-	485	8.034	1.216	4.259	667	8.491	359.164	-	-	382.316
Disposals	-	(119)	(35.906)	(1.898)	(1.071)	(1.503)	(4.767)	(148)	(32.457)	-	(77.869)
Transfers	-	6.638	99.329	1.011	882	897	(1.280)	(107.867)	41.196	9.908	50.714
Business combinations	4.412	9.800	23.463	2.098	195	469	-	-	-	-	40.437
Exchange translation impact	9.389	31.751	88.834	3.111	836	2.919	4.026	889	-	-	141.755
Capitalization and consumption	-	-	-	-	-	-	-	-	-	839	839
Cost balance at December 31st, 2021	**832.536**	**995.242**	**3.213.606**	**36.978**	**57.326**	**64.046**	**182.848**	**495.440**	**15.062**	**18.615**	**5.911.699**

Depreciation and/or impairment reconciliation

Balance at January 1st, 2021	**(356)**	**(282.430)**	**(1.464.312)**	**(24.670)**	**(39.249)**	**(44.380)**	**(83.617)**	**-**	**(287)**	**-**	**(1.939.301)**
Disposals	-	119	34.290	1.797	1.028	1.436	4.712	-	29	-	43.411
Transfers	-	(1.198)	1.072	3	30	(51)	-	-	-	-	(144)
Impairment recovery	-	-	518	-	-	-	-	-	-	-	518
Business combinations	-	-	(13.476)	(1.481)	(190)	(363)	-	-	-	-	(15.510)
Depreciations	-	(35.820)	(195.923)	(3.123)	(5.543)	(5.210)	(20.143)	-	(542)	-	(266.304)
Exchange translation impact	(57)	(11.323)	(38.560)	(2.697)	(528)	(2.153)	(2.120)	-	-	-	(57.438)
Balance at December 31st, 2021	**(413)**	**(330.652)**	**(1.676.391)**	**(30.171)**	**(44.452)**	**(50.721)**	**(101.168)**	**-**	**(800)**	**-**	**(2.234.768)**

2020

	Land	Buildings	Machinery and Production Equipment	Transportation Equipment	Computer Equipment	Office Equipment	Leasehold Improvements	Assets in Progress	Plantations in production(*)	Plantations in development (*)	Total
Cost	783.133	930.254	2.877.545	30.989	48.522	57.097	168.353	172.865	-	12.872	5.081.630
Depreciation and/ or impairment	(340)	(243.616)	(1.258.308)	(21.047)	(32.511)	(38.363)	(70.021)	-	-	-	(1.664.206)
Balance at January 1st, 2020	**782.793**	**686.638**	**1.619.237**	**9.942**	**16.011**	**18.734**	**98.332**	**172.865**	**-**	**12.872**	**3.417.424**
Acquisitions	-	920	15.388	395	2.700	725	13.156	236.438	-	-	269.722
Depreciations	-	(34.747)	(197.395)	(3.873)	(6.105)	(5.551)	(20.232)	-	(287)	-	(268.190)
Disposals	(473)	-	(3.180)	(142)	(41)	(179)	(164)	-	-	-	(4.179)
Transfers	35.107	6.604	116.012	172	135	1.746	1.392	(168.319)	6.323	(6.323)	(7.151)
Exchange translation impact	952	4.842	15.478	276	276	742	277	2.418	-	-	25.261
Capitalization and consumption	-	-	-	-	-	-	-	-	-	1.319	1.319
Cost	818.735	946.687	3.029.852	31.440	52.225	60.597	176.378	243.402	6.323	7.868	5.373.507
Depreciation and/ or impairment	(356)	(282.430)	(1.464.312)	(24.670)	(39.249)	(44.380)	(83.617)	-	(287)	-	(1.939.301)
Balance at December 31st, 2020	**818.379**	**664.257**	**1.565.540**	**6.770**	**12.976**	**16.217**	**92.761**	**243.402**	**6.036**	**7.868**	**3.434.206**

Cost reconciliation

Cost balance at January 1st, 2020	**783.133**	**930.254**	**2.877.545**	**30.989**	**48.522**	**57.097**	**168.353**	**172.865**	**-**	**12.872**	**5.081.630**
Acquisitions	-	920	15.388	395	2.700	725	13.156	236.438	-	-	269.722
Transfers	35.107	6.086	115.211	356	(342)	1.767	1.392	(168.319)	6.323	(6.323)	(8.742)
Disposals	(473)	(2)	(24.080)	(1.174)	(384)	(945)	(6.950)	-	-	-	(34.008)
Exchange translation impact	968	9.429	45.788	874	1.729	1.953	427	2.418	-	-	63.586
Capitalization and consumption	-	-	-	-	-	-	-	-	-	1.319	1.319
Cost balance at December 31st, 2020	**818.735**	**946.687**	**3.029.852**	**31.440**	**52.225**	**60.597**	**176.378**	**243.402**	**6.323**	**7.868**	**5.373.507**

Depreciation and/or impairment reconciliation

Balance at January 1st, 2020	**(340)**	**(243.616)**	**(1.258.308)**	**(21.047)**	**(32.511)**	**(38.363)**	**(70.021)**	**-**	**-**	**-**	**(1.664.206)**
Transfers	-	518	801	(183)	477	(22)	-	-	-	-	1.591
Disposals	-	-	20.900	1.033	344	766	6.786	-	-	-	29.829
Depreciations	-	(35.318)	(198.544)	(4.122)	(6.091)	(5.586)	(20.397)	-	(287)	-	(270.345)
Exchange translation impact	(16)	(4.014)	(29.161)	(351)	(1.468)	(1.175)	15	-	-	-	(36.170)
Balance at December 31st, 2020	**(356)**	**(282.430)**	**(1.464.312)**	**(24.670)**	**(39.249)**	**(44.380)**	**(83.617)**	**-**	**(287)**	**-**	**(1.939.301)**

Table 40

(*) Our own cocoa plantations are experimental and aim to promote the development of cocoa crops, through agroforestry systems (cocoa - timber), with the Country's farmers.

Currently, there is a sowed area about of 483 hectares. The plant achieves its maximum production at approximately 7 years, with two crops per year, and an expected useful life of 25 years. The Group's Management established that the project has not reached its optimum level of operation and fine-tuning, with which, in December 2017, the Company applied the amendment to IAS 41 Agriculture and IAS 16 Property, plant and equipment, which gives the production plants the treatment of property, plant and equipment. As part of this change in accounting policies, the value of Property, Plant and Equipment, corresponding to the historical costs of the plantations, at the time of reclassification, was transferred.

As of December 31st, 2021, and 2020 there is no property, plant and equipment under warranty.

NOTE 18.
RIGHT-OF-USE ASSESTS

The movement of right-of-use assets, is as follows:

	Buildings	Transportation Equipment	Machinery and Production Equipment	Communication and computer equipment	Total
Balance at January 1st, 2021	**773.783**	**39.884**	**15.607**	**289**	**829.563**
New contracts (*)	54.592	10.166	16.390	-	81.148
Business combinations	-	975	-	-	975
Disposals	(29.428)	(1.489)	(1.234)	-	(32.151)
Depreciation	(101.989)	(16.884)	(9.745)	(82)	(128.700)
Transfers	-	(59)	-	-	(59)
Exchange translation impact	12.018	274	329	41	12.662
Balance at December 31st, 2021	**708.976**	**32.867**	**21.347**	**248**	**763.438**

Table 41

	Edificios	Equipo de transporte	Maquinaria y equipo de producción	Equipo de cómputo y comunicación	Total
Balance at January 1st, 2020	**814.955**	**46.556**	**17.041**	**-**	**878.552**
New contracts (*)	62.796	10.896	4.152	377	78.221
Disposals	(21.962)	(946)	(438)	-	(23.346)
Depreciation (Note 32)	(95.760)	(17.909)	(7.166)	(76)	(120.911)
Transfers	6.876	183	-	-	7.059
Exchange translation impact	6.878	1.104	2.018	(12)	9.988
Balance at December 31st, 2020	**773.783**	**39.884**	**15.607**	**289**	**829.563**

Table 42

(*) Includes updating of variable lease fees based on an index or rate.

NOTE 19.
INVESTMENT PROPERTIES

The movement of investment properties during 2021 and 2020, is as follows:

	Land	Buildings	Total
Cost	4.717	5.814	10.531
Depreciation and/or impairment	-	(1.475)	(1.475)
Balance at January 1st, 2021	**4.717**	**4.339**	**9.056**
Depreciation	-	(316)	(316)
Cost	4.717	5.814	10.531
Depreciation and/or impairment	-	(1.791)	(1.791)
Balance at December 31st, 2021	**4.717**	**4.023**	**8.740**
Cost	74.327	6.592	80.919
Depreciation and/or impairment	-	(1.430)	(1.430)
Balance at January 1st, 2020	**74.327**	**5.162**	**79.489**
Depreciation	-	(352)	(352)
Transfers	(1.014)	(471)	(1.485)
Sales	(68.596)	-	(68.596)
Cost	4.717	5.814	10.531
Depreciation and/or impairment	-	(1.475)	(1.475)
Balance at December 31st, 2020	**4.717**	**4.339**	**9.056**

Table 43

At December 31st of 2021 and 2020, there were no materials commitments for acquisition or construction of the investment properties.

Income included in the Income Statement, derived from income from investment properties, amounted to $1.491 (2020: $68.600).

The fair value, of the most significant investment properties, amounted to $28.153 for 2021and 2020. (Note 39).

NOTE 20. GOODWILL

The movement of book values of goodwill, assigned to each one of the segments of the Group, is as follows:

Reportable Segment	UGE	Balance at January 1st, 2021	Additions	Exchange Differences	**Balance at December 31st, 2021**
Retail Foods	Grupo El Corral	534.811	-	-	534.811
	Grupo Pops	170.494	-	-	170.494
	Helados Bon	51.530	-	-	51.530
Coffee	CCDC OPCO Holding Corporation	217.453	-	34.758	252.211
	Industrias Aliadas S.A.S.	4.313	-	-	4.313
Cold Cuts	Setas Colombianas S.A.	906	-	-	906
Chocolate	Nutresa de México	184.691	-	4.175	188.866
Biscuits	Abimar Foods Inc.	96.546	-	-	96.546
	Galletas Pozuelo	35.497	-	3.891	39.388
	Productos Naturela	1.248	-	-	1.248
Others	Atlantic Food Service	33.747	-	-	33.747
	Belina (Note 5)	-	57.903	-	57.903
TMLUC	Grupo TMLUC	1.038.470	-	(24.710)	1.013.760
Total		**2.369.706**	**57.903**	**18.114**	**2.445.723**

Table 44

Reportable Segment	UGE	Balance at January 1st, 2021	Additions	Exchange Differences	**Balance at December 31st, 2021**
Retail Foods	Grupo El Corral	534.811	-	-	534.811
	Grupo Pops	170.494	-	-	170.494
	Helados Bon	51.530	-	-	51.530
Coffee	CCDC OPCO Holding Corporation	207.612	-	9.841	217.453
	Industrias Aliadas S. A.S.	4.313	-	-	4.313
Cold Cuts	Setas Colombianas S. A.	906	-	-	906
Chocolate	Nutresa de México	188.012	-	(3.321)	184.691
Biscuits	Abimar Foods Inc.	96.546	-	-	96.546
	Galletas Pozuelo	36.289	-	(792)	35.497
	Productos Naturela	1.248	-	-	1.248
Others	Atlantic FS S. A. S (*)	33.664	83	-	33.747
TMLUC	Grupo TMLUC	941.427	-	97.043	1.038.470
Total		**2.266.852**	**83**	**102.771**	**2.369.706**

Table 45

EVALUATION OF THE IMPAIRMENT OF THE VALUE OF GOODWILL

Goodwill is not subject to amortization. The Group annually reviews the existence of impairment, by comparing the book value of the net assets, assigned to the Cash Generating Unit (CGU), to its recoverable value. During the current and prior period, no impairment losses were recognized from goodwill. For each CGU or group of CGUs subject to evaluation, the recoverable value is greater than its book value.

The recoverable amount for CGUs, associated to all segments, was estimated based on fair value less disposal cost (FVLCS), applying the discounted cash flow methodology, minus the disposal cost. To apply this methodology, we use the weighted average cost of capital (WACC), as the discounted

rate, which weights the cost of the shareholders with the cost of the debt. The estimation of the variables, for both for the cost of capital and the debt, is based on market information available at the valuation date. All flows have been discounted, according to the specific rate, for the relevant region, and incorporating the determining variables of each CGU, in the WACC estimate. The average discount rate used, is in a range established, between 5,2% and 13,2% (2020: between 6,2% and 10,7%).

Cash flows have been projected for a period of 10 years, which includes 5 years of explicit plans and 5 additional years, where a stabilization period is projected, with a decreasing convergence equivalent to the expected nominal economic performance and long-term growth in perpetuity, giving more consistency to the normal evolution of business and its projections. These flows have been established based upon the Group's experience and using the best estimates by the Administration and adjusting them, based on historical results. These projections include those projects that are currently authorized.

The operating income included in the future flows corresponds to the revenues of the businesses that make up the CGU or Group of CGUs, and the projected comportment takes into account, the expected evolution of the market and the growth strategies approved by the Management, for the period of projection, and determined at the moment of defining the evolution of the gross margin, which includes a study of cost factors based on the projected efficiencies.

Grupo Nutresa uses a specific growth rate that is upper than the average long-term growth rate for the industry and is within a range between 0% and 1.5%, depending on the economic development of the country in which the CGU is located, and is indexed to the corresponding inflation.

Grupo Nutresa considers that there are no foreseeable situations that could impact the key assumptions used in the impairment assessment, in such a way that the book value of a CGU exceeds its recoverable value.

NOTE 21.
OTHER INTANGIBLE ASSETS

	Brands	Software and Licenses	Concessions and Franchises	Others	Total
Cost	1.236.235	69.234	53.867	91.866	1.451.202
Amortization and impairment	(76.415)	(36.573)	(18.246)	(16.130)	(147.364)
Balance at January 1st, 2021	**1.159.820**	**32.661**	**35.621**	**75.736**	**1.303.838**
Acquisitions	-	11.676	-	13.071	24.747
Amortization	(3.879)	(14.239)	(125)	(7.405)	(25.648)
Transfers	-	11.767	-	(11.173)	594
Exchange translation impact	21.712	187	288	6.412	28.599
Business Combinations	2.803	-	-	20.193	22.996
Cost	1.261.148	80.402	54.141	122.174	1.517.865
Amortization and impairment	(80.692)	(38.350)	(18.357)	(25.340)	(162.739)
Balance at December 31st, 2021	**1.180.456**	**42.052**	**35.784**	**96.834**	**1.355.126**
Cost	1.202.943	58.371	53.708	93.247	1.408.269
Amortization and impairment	(70.008)	(39.447)	(18.123)	(5.982)	(133.560)
Balance at January 1st, 2020	**1.132.935**	**18.924**	**35.585**	**87.265**	**1.274.709**
Acquisitions	-	12.696	103	11.913	24.712
Amortization	(3.876)	(14.043)	(148)	(12.696)	(30.763)
Transfers	-	17.105	-	(15.531)	1.574
Exchange translation impact	30.761	253	81	4.785	35.880
Sales and disposals	-	(26)	-	-	(26)
Others	-	(2.248)	-	-	(2.248)
Cost	1.236.235	69.234	53.867	91.866	1.451.202
Amortization and impairment	(76.415)	(36.573)	(18.246)	(16.130)	(147.364)
Balance at December 31st, 2020	**1.159.820**	**32.661**	**35.621**	**75.736**	**1.303.838**

Table 46

BRANDS

This corresponds to the brands acquired through business combinations or transactions with third parties.

The following table shows the allocation of brands to each business segment and the classification by useful life at December 31:

Reportable Segment	2021		
	Finite Useful Life Brands	Indefinite Useful Life Brands	Total
Retail Food	-	265.124	265.124
Coffee	-	59.319	59.319
Cold Cuts	1.203	-	1.203
Chocolate	-	18.836	18.836
Biscuits	-	211.730	211.730
Ice Cream	271.345	-	271.345
Others	-	3.970	3.970
TMLUC	-	348.929	348.929
Total	**272.548**	**907.908**	**1.180.456**

Reportable Segment	2020		
	Finite Useful Life Brands	Indefinite Useful Life Brands	Total
Retail Food	-	265.803	265.803
Coffee	-	51.144	51.144
Cold Cuts	1.037	-	1.037
Chocolate	-	17.889	17.889
Biscuits	-	190.816	190.816
Ice Cream	274.531	-	274.531
Others	-	1.166	1.166
TMLUC	-	357.434	357.434
Total	**275.568**	**884.252**	**1.159.820**

Table 47

The brands with finite useful lives have useful life residuals of 88 years (2020: 89 years).

The brands are considered to have indefinite useful lives, due to the fact that a consistent basis it is not determined, in reference to the flows that are expected to generate each one of the brands; these assets are not amortized and are assessed for impairment, annually. These brands have a net book value of $907.908 (2020: $884.252).

Impairment of the value of brands with indefinite useful lives

The brands that have indefinite useful lives are subject, annually, to an assessment of impairment, using the projection of future cash flows, to determine its fair value; in this assessment, such variables, as: the discounted rate, the increased rate of long-term, among other variables, similar to those used in the impairment assessment of goodwill (See Note 20), are taken into account.

During 2021 and 2020, no losses from impairment of brands were not recognized.

Regarding to intangible assets with finite useful lives, Grupo Nutresa considers that there are no situations that can impact the projections of expected results, in the remainder of the useful life, and in whose opinion, to December 31st of 2021 and 2020, there exists no indications of impairment of intangible assets with a finite useful life.

NOTE 22.
INCOME TAXES AND TAXES PAYABLE

22.1 APPLICABLE NORMS

The effective and applicable tax norms, state that nominal rates of income tax, for Grupo Nutresa, are as follows:

Income tax %	2020	**2021**	2022	2023	2024
Colombia	32,0	**31,0**	35,0	35,0	35,0
Chile	27,0	**27,0**	27,0	27,0	27,0
Costa Rica	30,0	**30,0**	30,0	30,0	30,0
Ecuador	25,0	**25,0**	25,0	25,0	25,0
El Salvador	30,0	**30,0**	30,0	30,0	30,0
United States	21,0	**21,0**	21,0	21,0	21,0
Guatemala	25,0	**25,0**	25,0	25,0	25,0
Mexico	30,0	**30,0**	30,0	30,0	30,0
Nicaragua	30,0	**30,0**	30,0	30,0	30,0
Panama	25,0	**25,0**	25,0	25,0	25,0
Peru	29,5	**29,5**	29,5	29,5	29,5
Dominican Republic	27,0	**27,0**	27,0	27,0	27,0
Sudáfrica	28,0	**28,0**	28,0	28,0	28,0

Table 48

a. Colombia:

The basis for the tax treatment is the recognition of income and expenses accrued for accounting purposes, except for those expressly provided for in the regulations, such as: the time of realization for certain income, non-deductibility of the difference not realized, limitation of the deduction for employee, customer and supplier services, ceilings on annual depreciation rates, changes in realization for tax recognition of the customer loyalty plan and the option to take the value paid for industry and commerce tax as a 100% deduction or as a 50% tax discount.

On the other hand, donations made to entities belonging to the special tax regime are not deductible, but a tax discount of 25% on the value donated is allowed, which cannot exceed 25% of the income tax payable in the respective taxable year.

The presumptive income applicable from the year 2021 is 0% (2020: 0,5%).

The firmness of the tax returns is 3 years, however, for companies' subject to the transfer pricing regime, the firmness is 5 years and the declarations that originate or offset tax losses will be firm in 5 years. Additionally, for the year 2021, the returns that present an increase in net income tax by a minimum percentage of 30% or 20% compared to the previous year, will be final in 6 months or 12 months, respectively.

b. Chile

In Chile, income tax law includes separate "capital income" and "earned income" systems. The first are taxed with tax class act, which mainly impacts businesses. This tax has a fixed rate 27% on the tax base, which is calculated effecting aggregates or decreases mandated by law. The tax paid in this way, is imputable against the Global Complementary, which taxes the entire income of natural persons residing in the country; or additional, levies on income generated in Chile, to natural and legal persons, residing outside the country, according to, the case. The tax losses are carried forward to the next period as part of the deductions.

c. México:

Income tax (ISR) is levied on net income obtained by both resident and non-resident companies, with specific rules for each. The Mexican income tax rate is 30%, which is applied to the taxable income of the year, resulting from subtracting from the income earned in the period (including capital gains), the expenses incurred for their generation (which are justified through invoices or other legally accepted documents) and the tax loss carryforwards of the last 10 years.

d. Costa Rica

Income tax is calculated on the net income for the year, which is the result of gross income less costs and expenses useful and necessary to generate the profit. The provision for income taxes charged to income includes current taxable income for the year and deferred tax applicable to temporary differences between accounting and taxable items. The deduction of non-bank interest is limited to 20% of income before interest, taxes, depreciation and amortization (UAIIDA), for each taxable year.

The income tax rate is 30% and the rate for income and capital gains is 15%. Tax losses can be offset within 3 years of their generation.

e. Panamá:

Current income tax is subject to a 25% rate on net taxable income based on the greater of the following amounts:

- The net taxable income resulting from deducting from the taxable income of the taxpayer the rebates granted under promotion or production regimes and the legally authorized loss carry-forwards, this calculation will be known as the traditional method.
- The net taxable income resulting from applying 4.67% to the total taxable income (this calculation will be known as the CAIIR - Alternate Calculation).

Income tax returns are subject to review by the Tax Authorities for the last 3 years.

According to Panamanian Tax Legislation in force, companies are exempt from paying income tax on foreign source earnings. Also exempt from income tax are interest earned on time deposits in local banks, interest earned on Panamanian government securities and investments in securities issued through the Panama Stock Exchange.

Tax losses may be deducted from the taxable income of the following five years, 20% each year, but limited to 50% of the taxable income of each year.

f. Ecuador:

Income tax is subject to a rate of 25% applicable to the taxable income, which includes all taxable income reduced by returns, discounts, costs, expenses and deductions attributable to such income and which have been taken for the purpose of obtaining, improving or maintaining income subject to income tax.

Tax losses may be offset against taxable profits within the following five years, not exceeding 25% of the profits obtained in each year.

g. United States:

The current income tax is subject to a rate of 21% on the taxable income of the year. Additionally, the special tax on profits held abroad is 15% if held in cash and 8% if invested in assets.

h. Peru:

Income tax is calculated at a rate of 29.5%, on the tax profits of the period, purified in accordance with current regulations.

The Tax Authority of the country has the power to control and, if applicable, correct the tax on the corresponding earnings calculated by the company, during the 4 years following the year in which the affidavit is presented.

Approved tax regulations applicable from the year 2022
Colombia

The main changes approved by Law 2155 of 2021 - Social Investment Law, are the following:

- Increase from 2022 in the income tax rate for legal entities to 35%.
- The possibility of taking 100% as a tax discount from the ICA since 2022 is repealed. The benefit of 50% of the ICA paid is maintained.
- DIAN is granted the power to implement the billing of income and complementary taxes, that constitutes the official determination of the tax, and that will provide executive merit.
- In order that the electronic invoice in credit operations can constitute support for costs, deductions and discounted taxes, the purchaser must confirm receipt of the invoice for the goods and/or services acquired by means of an electronic message sent to the issuer to expedition the bill.
- POS document may only be issued when the sale of the good or service does not exceed 5 U.V.T.
- In order for the electronic invoice to be considered as a security and the economic rights contained in it can be transferred. The transferor, or endorsee must register the transaction carried out in the DIAN registry.
- The benefit of three days without sales tax per year is permanently established.
- The audit benefit continues for taxable years 2022 and 2023, due to an increase in net income tax of 35% (6 months) or 25% (12 months).
- Various alternatives are established for the reduction and payment of taxes, interests and penalties.

Ecuador

The tax modifications approved by the Organic Law for Economic Development and Fiscal Sustainability are mainly the following:

- A temporary contribution is established for fiscal years 2022 and 2023 of 0.8% of net worth for companies with a capital of more than 5 million dollars as of December 31, 2020.
- The tax benefit of the reduction of 10 percentage points of the income tax rate on the amount of reinvestment of profits in productive assets is eliminated.
- The figure of transactions is established for taxpayers who avail themselves of the mediation procedure, as well in the administrative stage and in the judicial stage, as long as they make an immediate payment offer of 25% of the capital of the obligation in dispute.
- Reduction of 3 percentage points in income for the development of new investments for up to 15 years and

reduction of 5 percentage points in income tax for the signing of Investment Contracts during the time the contract is agreed.
- Additional deductions focused on economic development and fiscal sustainability after the COVID 19 pandemic are incorporated.
- The progressive reduction of the Foreign Currency Outflow Tax rate is established at a quarter of a point (0.25%) per quarter during 2022, until reaching a rate of 4%.

Mexico

The main changes included in the Income Law of the Federation of November 12, 2021 are:

- Limitations are established on the deduction of some expenses, such as technical assistance, technology transfer, royalties, uncollectable receivables and thin capitalization.
- The exchange rate published by the Bank of Mexico is set as a parameter to determine foreign exchange gains and losses.
- It is determined that the division and use of tax losses derived from a spin-off only proceeds between companies engaged in the same line of business
- It is established that in the event of the existence of relevant operations within the five years following a merger or spin-off, the information on this operation must be submitted to the tax authority under the parameters included in the Tax Code.
- The obligation of notice by Mexican companies is included when shares are sold between partners and shareholders residing abroad, under penalty of being jointly responsible for the tax.

22.2 TAX ASSETS AND LIABILITIES

Tax assets are presented in the Statement of Financial Position, under "other current assets" and "other non-current assets". The balance, includes:

	2021	2020
Income tax and complementaries [1]	189.459	126.925
Equity tax, interest [3]	-	4.373
Sales tax	51.208	37.079
Other claims	2.931	420
Other taxes	1.228	1.810
Total current tax assets	**244.826**	**170.607**
Claims in process [2]	11.066	11.282
Total non-current tax assets	**11.066**	**11.282**
Total tax assets	**255.892**	**181.889**

Table 49

[1] Income tax assets and complementary include auto-withholdings of $17.579 (2020: $13.577), credit balances of $113.584 (2020: $53.491), tax advances of $561 (2020: $23.794), tax rebates for $57.585 (2020: $31.316), and income tax withheld $150 (2020: $4.747).
[2] Grupo Nutresa has six (6) subsidiaries that signed legal stability contracts with the Colombian government in 2009 (As of December 31st, 2021, four companies have current contracts). One of the stabilized taxes was the equity tax, which by order of the tax authority had to be declared and paid. However, there is a legal right to request a refund for the payment of what is not due for $49.486. Based on article 594-2 of the Tax Statute that indicates that tax obligations presented by those not obliged to declare do not produce legal effects, claims for payment of what is not due are advanced, and $9.866 is pending resolution, value classified as non-current asset since its resolution is expected in a term exceeding twelve months from the date of this report.
[3] Refers to current interest derived from this payment of what is not due in the amount of $6.407. During 2020, the tax administration has recognized in favor of Grupo Nutresa an amount of $2.034, and during 2021 payed the remain amount of $4.373.

The current taxes payable balances include:

	2021	2020
Income tax and complementaries (*)	72.410	99.776
Sales tax payable	89.328	94.483
Withholding taxes, payable	42.022	35.499
Other taxes	26.724	10.253
Total	**230.484**	**240.011**

Table 50

The Group applies the laws with professional judgment, to determine and recognize the provision for current tax and deferred income, on its Consolidated Financial Statements. The final tax determination depends on the new regulatory requirements, the existence of sufficient taxable profit for the use of fiscal benefits, as the treatment of untaxed income, and special deductions, according to the current regulations and applicable, and the analysis of favorability probability of expert opinions. The Group recognizes liabilities, for anticipated tax audits, observed based on estimates, if correspondent to payment of additional taxes. When the final tax outcome of these situations is different, from the amounts that were initially recorded, the differences are charged to tax on current and deferred assets and liabilities, in the period in which this is determined.

Considering the criteria and judgments in the determination and recognition of the mentioned taxes, as of December 31st, 2021, no situations have been identified that generate tax uncertainty and that must be recognized in the accounting according to the framework defined by IFRIC 23.

(*) It included a reduction in the income tax payable through the "obras por impuestos" mechanism. During 2021, five Grupo Nutresa companies were linked with a total investment of $22.198, whose projects aim to improve the conditions for the training and development of educational skills from municipalities in the Departments such as de Antioquia, Putumayo, Santander and Tolima. To date, these contracts have an execution rate of 72%. The projects executed during 2020 are already fully settled.

22.3 INCOME TAX EXPENSES

Current income tax expenses are as follows:

	2021	2020
Income tax	238.894	261.210
Total	**238.894**	**261.210**
Deferred taxes (Note 22.4)	24.162	(30.274)
Total income tax expenses	**263.056**	**230.936**

Table 51

The variation in deferred tax is mainly due to the recognition of higher tax losses and amortization of intangibles during the 2021.

22.4 DEFERRED INCOME TAX

The breakdown of the deferred tax assets and liabilities, are as follows:

	2021	2020
Deferred tax assets		
Goodwill tax, TMLUC	53.250	76.289
Employee benefits	57.649	46.906
Accounts payable	22.453	13.628
Tax losses	209.749	228.120
Tax credits	4.952	14.345
Debtors	25.450	23.015
Right-of-use assets	326.742	280.746
Derivates	81.584	57.842
Other assets	**781.829**	**740.891**

	2021	2020
Total deferred tax assets (1)		
Deferred tax liabilities	363.974	342.372
Property, plant and equipment	422.953	368.831
Intangibles (2)	16.218	14.097
Investments	12.927	8.039
Inventories	305.509	267.605
Right-of-use liabilities	20.341	4.597
Derivates	54.006	14.875
Other liabilities	**1.195.928**	**1.020.416**
Total income tax liabilities	**414.099**	**279.525**

Table 52

(1) The deferred tax asset is recognized and supported, on the basis that the Group has generating positive taxable income, and it is projected to generate future income sufficient to compensate tax credits and tax losses, from previous periods, prior to maturity, and obtain future tax benefits, for goodwill tax in Chile, employee benefits, as well as, items recognized in the deferred tax assets. Projections of annual taxable income and actual data are reviewed to determine the impact and adjustments, on asset values, and their recoverability in future periods.
(2) The deferred tax liability, for intangibles, corresponds mainly to the difference in the amortized accounting and tax depreciation of the brands, and to the deferred tax, recognized in the Consolidated Financial Statement, in relationship to the goodwill from business combinations realized before 2013 and the recognition for the difference between accounting and tax due to the entry into force in 2019 of the accounting standard for financial leases IFRS 16.

The movement of deferred tax, during the period, was as follows:

	2021	2020
Opening balance, net liabilities	**279.525**	**329.658**
Deferred tax expenses, recognized in income for the period	24.162	(30.274)
Deferred taxes associated with components of other comprehensive income(1)	36.705	(4.262)
Impact of variation in rates of foreign exchange	23.650	(15.120)
Increase for business combination	(7.726)	-
Deferred tax recognized against retained earnings from previous years (2)	57.783	-
Other effects	-	(477)
Final balance, net liabilities	**414.099**	**279.525**

Table 53

(1) The income tax, relating to components of other comprehensive income, is determined by new measurements of benefit plans to employees of -$920 (2020: $1.809), the participation in associates and joint ventures, accounted for by using the *Equity Method*, in the amount of $4.609 (2020: $968), the financial assets, measured at fair value, in the amount $6.294 (2020: -$1) and cash-flow hedges of $26.722 (2020: -$7.038).
(2) On October 20, 2021, the Ministry of Commerce, Industry and Tourism of Colombia issued Decree 1311, through which it gives the option that the recognition and presentation of the deferred tax caused by the change in the approved income tax rate by Law 2155 - "Ley de Inversión Social", which goes from 30% to 35% is recorded in the equity against of retained earnings from previous years. In this sense, Grupo Nutresa opted for this option and recorded a debit in equity of $ 57,583 and not in the results of the period as established by IAS 12.

22.5 EFFECTIVE TAX RATES

The theoretical tax rate is calculated using the weighted average of the tax rates established in the tax regulations of each of the countries where the Nutresa Group companies operate. To calculate the effective rate, the amount of discontinued operations was included in income before taxes, since these operations are part of the income tax purification.
The effective tax rate is 2,94% below the theoretical rate, mainly due to:

1. Due to the effect of the increase in the CPI in Chile, the monetary correction of the tax capital in this country has implied big adjustments with an effect on the rate of -2,48% (2020: -1,47%).

2. Income from untaxed portfolio dividends has an effect on the rate of -2,33% (2020: -3,04%).

3. The application of stabilized regulations in Colombia such as the special deduction for investment in real productive fixed assets decreases the effective rate by -0,63% (2020: -0,48%).

The above effects are offset in 2021 by the following permanent differences:

1. Non-deductible expense derived from the application of the option to take 50% of the ICA and 25% of certified donations as a tax discount. The above generates a higher income tax expense due to the non-deductible, which affects the rate by 1.10% (2020: 0.93%).

2. Other non-deductible expenses such as the higher value of income tax paid by Colombian companies abroad, 50% of the tax on financial movements and costs and expenses from previous years, items that increase the effective rate by 1, 63% (2020: 2.10%).

The following is the reconciliation of the applicable tax rate and the effective tax rate:

	2021		2020	
	Valor	%	Valor	%
Accounting profit, before income taxes (*)	**956.310**		**814.780**	
Applicable tax rate expenses	**291.197**	**30,45%**	**248.589**	**30,51%**
Untaxed portfolio dividends	(22.281)	-2,33%	(24.743)	-3,04%
Special deductions for real productive fixed assets	(6.056)	-0,63%	(3.884)	-0,48%
ICA and non-deductible donations	10.538	1,10%	7.608	0,93%
Monetary correction Chile	(23.738)	-2,48%	(11.945)	-1,47%
Non-deductible expenses	15.513	1,62%	12.468	1,53%
Other tax impact	(2.117)	-0,22%	2.843	0,35%
Total tax expenses (Note 22.3)	**263.056**	**27,51%**	**230.936**	**28,34%**

Table 54

(*) Includes discontinued operations.

22.6 PRESUMPTIVE INCOME TAX EXCESS AND LOSSES

At December 31st, 2021, the tax losses of the Group amounted to $754.884 (2020: $869.855). As of the expedition of Law 1819 of 2016, the compensation of tax losses in Colombia is limited to 12 taxable periods, following the year that they were generated. Tax losses are recognized in deferred tax assets, corresponding to Chile, they do not expire. Likewise, the tax losses recognized in the deferred tax asset corresponding to Chile and the United States do not expire. In Mexico, tax losses can be offset in the 10 years following their generation date.

The excess presumptive tax on ordinary income of the Group, outstanding amount of $94 (2020: $187). According to current tax regulations in Colombia, excesses of presumptive tax on ordinary income, can be offset with ordinary liquid income tax within the five following years, fiscally readjusted.

Expiration date	Tax Loss	Excess presumptive income tax
2025	-	94
2030	52.181	-
2031	-	-
2032	12.846	-
No expiration date	689.857	-
Total	**754.884**	**94**

Table 55

22.7 INFORMATION ON CURRENT LEGAL PROCEEDINGS

- Industria de Alimentos Zenú S.A.S. and Alimentos Cárnicos S.A.S., Colombian subsidiaries of Grupo Nutresa, are in the process of discussions with the Directorate of National Tax and Customs (DIAN), for the unrecognized deduction for amortization of goodwill, generated in the acquisition of shares, of income of the taxable year 2011 in Alimentos Zenú S. A. S. and 2011 and 2015 in Alimentos Cárnicos S. A. S. The process in the Administrative Chamber has already been exhausted, therefore, the respective lawsuits were brought before the contentious administrative courts of Antioquia, and del Valle, respectively. The requests for monies in favor of the tax returns for the taxable year 2011, of these two companies, on the occasion of this discussion, were considered undue, by the DIAN, which generated a process for Industria de Alimentos Zenú S.A.S., in discussion in the administrative chamber, as well as for, Alimentos Cárnicos S.A.S., in judicial proceedings.
- Grupo Nutresa S.A. files a lawsuit for the lack of knowledge of deductions and compensation for tax losses, in tax returns for the taxable years 2008, 2009 and 2014. Due to lack of knowledge, the Administration rejected the rebates, in favor of those taxable years, which made the necessary lawsuit against the resolutions that decided the rejection.

NOTE 23. FINANCIAL OBLIGATIONS

23.1 FINANCIAL LIABILITIES AT AMORTIZED COST

Financial obligations, held by Grupo Nutresa, are classified as measured, by using the amortized cost method, and are based on the Group's Business Model. Book values, at the end of the reporting period, are as follows:

	2021	2020
Loans	3.336.949	3.211.594
Bonds	-	135.246
Financial leases	4.541	5.534
Total	**3.341.490**	**3.352.374**
Current	178.658	486.736
Non-current	3.162.832	2.865.638

Table 56

The financial obligations covered, incorporates adjustments, that increase the amortized cost, in the amount of $0 (December: $9.674), decreasing the value of the financial obligation, as a result of the measurement at fair value of hedging exchange rates, as described in Note 23.6, henceforth.

23.2 BONDS

In August 2009, an issue of corporate bonds took place in Colombia, through Fideicomiso Grupo Nutresa, which is managed by Alianza Fiduciaria S.A., the issuance was realized in the amount of $500,000, maturing in four tranches at 5, 7, 10, and 12 years, with interest payable quarterly, in arrears, and amortized to maturity of each coupon. As of December 31st,2021 interest expenses were incurred in the amount of $6.199 (2020: - $11.381). The last tranche of the issue was paid in August 2021:

Maturity	Interest rate	2021	2020
2021	CPI + 5,75%	-	135.246
Total		**-**	**135.246**

Table 57

23.3 MATURITY

Maturity	**2021**	2020
1 year (*)	178.658	486.736
2 to 5 years	2.280.648	2.311.643
More than 5 years	882.184	553.995
Total	**3.341.490**	**3.352.374**

Table 58

(*) Includes interest payable.

23.4 BALANCE BY CURRENCY

	2021		2020	
Currency	**Original currency**	**COP**	Original currency	COP
COP	2.781.179	2.781.179	2.848.451	2.848.451
CLP	23.632.295.985	111.384	23.613.795.679	114.009
USD	106.509.729	424.032	107.145.520	367.777
CRC	4.034.950.486	24.895	3.981.120.954	22.137
Total		**3.341.490**		**3.352.374**

Table 59

Currency balances are presented, after currency hedging.

To evaluate the sensitivity of financial obligation balances, in relationship to variations in exchange rates, all of the obligations, as of 31st December 2021, that are in currencies other than the Colombian peso and that do not have cash flow hedges, are taken. A 10% increase in exchange rates, in reference to the dollar (COP/USD), would generate an increase of $267 (2020: $160), in the final balance.

23.5 INTEREST RATES

Changes in interest rates may impact the interest expense, for financial liabilities that are tied to a variable interest rate. For the Group, the interest rate risk is primarily attributable to operational debt, which includes debt securities, the issuance of bank loans, and leases. These are susceptible to changes in base rates, (CPI - IBR- DTF - TAB [Chile] – LIBOR – BCCR [Costa Rica]), that are used to determine the applicable rates on bonds and loans.

The following table shows the structure of the financial risk due to exchange rates:

Rate	**2021**	2020
Variable interest rate debt	2.602.110	3.072.950
Fixed interest rate debt	739.380	279.424
Total	**3.341.490**	**3.352.374**
Average rate	**4.13%**	**3,59%**

Table 60

Rate	**2021**	2020
IBR indexed debt	2.177.225	1.582.791
DTF indexed debt	397.317	1.061.781
CPI indexed debt	-	135.246
TAB (Chile) indexed debt	-	113.882
LIBOR indexed debt	2.672	157.109
BCCR (Costa Rica) indexed debt	24.896	22.141
Total debt at variable interest rate	**739.380**	**279.424**
Fixed interest rate debt	3.341.490	3.352.374
Total debt	**4.13%**	**3,59%**
Average rate	**4.13%**	**3,59%**

Table 61

To provide an idea of the sensitivity of financial expenses to interest rates, an increase of +100bp has been supposed, a scenario in which the annual interest expense, of the Group, would increase by $26.021 (2020: $30.560).

Following is information on the main reference rates, at the close of the period:

Closing rate	**2021**	2020
IPC	**5,62%**	1,61%
IBR (3 months)	**3,42%**	1,69%
DTF EA (3 months)	**3,21%**	1,89%
DTF TA (3 months)	**3,15%**	1,87%
TAB (3 months)	**5,19%**	0,25%
LIBOR (3 months)	**0,21%**	0,24%
BCCR (Costa Rica)	**5,09%**	3,50%

Table 62

23.6 DERIVATIVES AND FINANCIAL HEDGING INSTRUMENTS

Grupo Nutresa, at certain times, resorts to borrowing in dollars, in order to secure more competitive interest rates, in the market, and uses derivatives to mitigate the risk of the exchange rate, in these operations. These derivatives are designated as accounting hedges, which implies that the fair value measurement of the derivative instrument is recognized as an adjustment, to the amortized cost of the financial obligation, designated as a hedged item. As of December 31st, 2021, hedged debt amounted to USD$0 (December 2020: USD$12.500.000) and the debt with interest rate hedge amounts to USD $105.000.000 (December 2020: USD $ 60,000,000) and COP $ 196,126 (December 2020: $ 0).

For interest rate hedges, the accumulated differences between the rates are recognized as a higher or lower value of the interest payable.

Finally, Grupo Nutresa uses financial derivatives to manage and cover the cash flow positions against the US Dollar, in the different geographies, where it operates. These derivatives are not designated as hedge accounting, and are measured at fair value, and are included in the Statement of Financial Position, under the category of "other current assets" and "other current liabilities", respectively.

The Group does not use derivative financial instruments for speculative purposes.

The following is a breakdown of the assets and liabilities from financial derivative instruments:

	2021		2020	
	Assets	**Liabilities**	Asset	Liabilities
Hedges				
Fair value of exchange rates on financial obligations	-	-	-	(9.674)
Fair value of interest rate hedge (*)	27.605	-	-	(386)
Fair value of exchange rates on suppliers	-	33	-	(3.419)
Fair value of exchange rates on customers or debtors	(39)	-	-	-
Fair value of exchange rates on cash flows	97.111	(57.950)	13.954	(42.437)
Total hedges derivatives	**124.677**	**(57.917)**	**13.954**	**(55.916)**
Non-designated derivatives				
Forwards and options on currency	-	-	-	(23)
Forwards and options on commodities	2.136	(187)	1.840	(1)
Total non-designated derivatives	**2.136**	**(187)**	**1.840**	**(24)**
Total derivative financial instruments	**126.813**	**(58.104)**	**15.794**	**(55.940)**
Net value of financial derivatives		**68.709**		**(40.146)**

Table 63

The valuation of non-designated derivative financial instruments generated a loss in the Income Statement, in the amount of de $320 (2020: $600).

All non-designated derivatives are measured at fair value, on a monthly basis, according to the Black Scholes Model. These items are classified in Level 2 of the hierarchy of fair value, established in IFRS 13.

(*) Derivatives are valued monthly according to market conditions, increasing or decreasing the asset or liability recognized at the opening of the transaction.

NOTE 24.
RIGHT-OF-USE LIABILITIES

The balances of right-of-use liabilities, are as follows:

	2021	2020
Balance at January 1st, 2021	874.023	892.555
New contracts (*)	81.138	85.355
Business combinations	975	-
Disposals	(35.210)	(24.976)
Interests	56.370	59.060
Exchange translation impact	14.020	9.982
Exchange differences	2.657	3.892
Transfers	-	5.991
Leases forgiveness income	(5.173)	(13.661)
Payments	(162.373)	(144.175)
Balance at December 31st, 2021	**826.427**	**874.023**
Current portion	107.253	126.727
Non-current portion	719.174	747.296

Table 64

- Includes updating of variable lease fees based on an index or a rate.

NOTE 25.
TRADE AND OTHER ACCOUNTS PAYABLE

The balances of trade and other accounts payable, are as follows:

	2021	2020
Suppliers	1.099.159	723.010
Cost and expenses payable	537.321	444.176
Dividends payable (Note 30.3)	91.596	84.766
Payroll deductions and withholdings	30.007	31.542
Total	**1.758.083**	**1.283.494**

Table 65

NOTE 26.
LIABILITY FOR EMPLOYEE BENEFITS

The balance of liabilities, due to employee benefits, is as follows:

	2021	2020
Short-term benefits	132.954	120.666
Post-Employment benefits	130.465	129.621
Defined contribution plans	43.448	41.723
Defined benefit plans (Note 26.2)	87.017	87.898
Other long-term benefits (Note 26.3)	182.693	162.990
Total liabilities for employee benefits	**446.112**	**413.277**
Current portion	246.285	217.033
Non-current portion	199.827	196.244

Table 66

26.1 APPLICABLE REGULATIONS

Colombia:

Defined Contributions:

Severance: assistance equivalent to one month's salary for each year of service and proportionally per fraction of the year. The severance of all workers who entered into employment contracts after the effective date of Law 50 of 1990, and the former workers, who benefited this system, are deposited in a severance fund, and are accounted for as a defined contribution plan.

The Colombian Government allowed companies, subject to the approval of their employees, to transfer their severance assistance obligation to private pension funds. The layoffs of all workers who entered into labor contracts after Law 50 of 1990 and former workers who availed themselves of this system are accounted for as a defined contribution plan.

Contributions to pension funds: the pension system, grants the worker, the possibility of receiving a life annuity, at the end of the work cycle, so that fixed resources can be count on and which allow for economic stability in old age. The contribution to the pension fund is 16% of the employee's base contribution rate. This is divided into 12%, contributed by the employer, and 4% by the worker. Currently, Colombia has two modalities under which you can contribute for retirement: Individual Savings Solidarity System (RAIS) and Average Premium System (APS). The first is managed by private funds and the second by Colpensiones, a public entity.

Defined benefits:

Pensions: Grupo Nutresa have for the year 2021, with 189 beneficiaries (2020: 199) from the defined pension plan benefits, according to legal regulations (Former Model of Regime for defined pension payouts). The plan consists that it is legally established that the employee at retirement will receive

a monthly amount from the pension, pension adjustments according to the legal norms, survivor' benefits, funeral assistance, and additional allowances, in June and December. These values depend on factors such as: employee's age, years of service, and salary. There are no current employees, who can access this benefit.

Retroactive Severance: According to Colombian labor laws, employees hired before the entry into force of Law 50 of 1990, are entitled to receive one month's salary, in effect for each year or services, and proportionally, a fraction of year or as aid of severance, for any reason the end of employment, including: retirement, disability, death, el al. The benefit is liquidated, at the time of retirement of an employee, based on the last salary earned. There may be distributions before the date of retirement, at the request of the worker, which are not compulsory distributable. Severance is retroactive settled for of 305 workers belonging to the labor force, before the Law 50 of 1990 (2020: 371 beneficiaries).

Ecuador:

Employer retirement: In accordance with provisions of the Labor Code, employees, who for twenty-five years or more and have provided their services on a continuous or interrupted basis, shall be entitled retirement by their employers, without prejudice to the corresponding retirement benefits, as members of the Ecuadorian Institute of Social Security - IESS. The calculation consists of the sum equivalent to 5% of the average annual remuneration received, for the last five years. This item is multiplied by the years of service, and the result is divided by the age coefficient, established in the Labor Code.

Termination bonus: is the written notice with which a worker informs the employer that his/her will is to terminate the employment contract. Payment of the benefit is mandatory, even in cases where the employment relationship ends by agreement between the parties, in accordance with Numeral 2 of Article 169 of the Labor Code. The employer will give the worker twenty-five percent of the equivalent to the last monthly remuneration, for each one of the years of service rendered.

Chile:

Compensation: corresponds to the obligation established in contracts or collective labor agreements for compensation for years of service of workers. Employees will be entitled to one month of remuneration for each year worked.

26.2 PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

The reconciliation of the movements, of the defined benefit plans, is as follows:

	Pensions		Retroactive severance		Other defined benefit plans		Total	
	2021	2020	**2021**	2020	**2021**	2020	**2021**	2020
Present value of obligations at January 1st, 2021	18.570	19.427	10.885	12.898	58.443	56.480	87.898	88.805
(+) Cost of services	162	175	296	358	8.350	8.150	8.808	8.683
(+) Interest expenses	849	994	432	598	5.959	6.301	7.240	7.893
(-) Plan returns	-	-	-	-	(4.433)	(3.651)	(4.433)	(3.651)
(+/-) Actuarial gains and/or losses	(876)	2.274	570	832	(4.868)	(5.651)	(5.174)	(2.545)
(-) Contributions to plan fund	-	-	-	-	4.039	(2.254)	4.039	(2.254)
(+/-) Others	14	(2.274)	-	974	(118)	1.104	(104)	(196)
(-) Payments	(2.545)	(2.067)	(3.150)	(4.775)	(6.814)	(4.547)	(12.509)	(11.389)
(+/-) Difference in exchange rate	176	41	-	-	1.076	2.511	1.252	2.552
Present value of obligations at December 31st, 2021	**16.350**	**18.570**	**9.033**	**10.885**	**61.634**	**58.443**	**87.017**	**87.898**

Table 67

Actuarial gains and losses are recognized in the Income Statement.

The undiscounted estimated for payments for defined benefits, over the next five years, are as follows, for the Group:

Year of expiration	Without discount
2022	10.166
2023	8.622
2024	12.099
2025	9.077
2026	9.193
Años siguientes	191.358
Total	**240.515**

Table 68

The estimated time for termination of benefits is 43 years. (2020: 43 years).

In accordance with the tax regulations applicable in Colombia, the pension liability is calculated using variables established by the regulator. The difference between the calculations of the pension liabilities, in accordance with the accounting and financial information standards accepted in Colombia, and the tax regulations is detailed below:

	IFRS Liability	Fiscal Liability
Calculated actuary pension liability	14.835	13.655
Discount rate	6,70%	4,80%
Salary adjustment rate	3,50%	2,60%

Table 69

Post-employment benefits in defined contribution plans

With regard to defined contribution plans, the Group fulfills its legal obligation, making contributions of a predetermined nature to a public or private entity. In these plans, the Group has no legal or implicit obligation to make additional contributions, in the event that the fund does not have sufficient assets to cover the benefits related to the services that the employees have rendered, in the current period and in the previous ones.

The Group recorded expenses, from employer contributions to defined contribution plans for pensions during the period, in the amount of $94.281 (2020: $88.738); and expenses for contributions to severance from Law 50, during the period, in the amount of $51.670 (2020: $ 48.227).

26.3 OTHER LONG-TERM BENEFITS

The long-term benefits include mainly seniority premiums and variable remuneration systems.

The seniority premiums are paid to the employee for every five years of service. The liability is recognized, gradually, as the employee provides the services that will make it a creditor. Its measurement is realized annually, through the use of actuarial techniques. Current gains and losses, arising from experience and changes, in actuarial assumptions, are charged or credited to the result of the period in which they arise.

The Company does not have specific assets intended to support long-term benefits. The long-term benefit liability is determined separately for each plan, using the actuarial valuation method of the projected credit unit, using actuarial assumptions, as of the date of the reporting period. The current service costs, past service costs, interest costs, actuarial gains and losses, as well as any liquidation or reduction of the plan, are recognized immediately in results.

The following is the reconciliation of movements of other long-term employee benefits:

	Seniority Premium		Other Long-term Benefits		**Total**	
	2021	2020	**2021**	2020	**2021**	2020
Present value of obligations at January 1st, 2021	**89.210**	83.373	**73.780**	61.007	**162.990**	144.380
(+) Cost of services	7.594	7.697	83.886	63.364	91.480	71.061
(+) Interest expenses	6.318	5.295	2.319	1.630	8.637	6.925
(+/-) Actuarial gains and/or losses	(9.588)	1.203	(6.291)	(8.814)	(15.879)	(7.611)
(+/-) Others	-	(8)	5	(12)	5	(20)
(-) Payments	(12.090)	(8.269)	(53.457)	(43.243)	(65.547)	(51.512)
(+/-) Difference in exchange rate	127	(81)	880	(152)	1.007	(233)
Present value of obligations at December 31st, 2021	**81.571**	**89.210**	**101.122**	**73.780**	**182.693**	**162.990**

Table 70

26.4 EXPENSES FOR EMPLOYEE BENEFITS

The amounts recognized, as expenses for employee benefits, were:

	2021	2020
Short-term benefits	**1.681.824**	**1.602.072**
Post-Employment benefits	**154.759**	**145.648**
Defined contribution plans	145.951	136.965
Defined benefit plans	8.808	8.683
Other long-term employee benefits	**88.061**	**61.136**
Termination benefits	**21.893**	**16.245**
Total	**1.946.537**	**1.825.101**

Table 71

26.5 ACTUARIAL ASSUMPTIONS

The main actuarial assumptions used in the actuarial measurement of the defined and long-term plans are:

	2021	2020
Discount rates	2,6% - 8,74%	1,75%-9,5%
Salary increase rates	1,05% - 4,5%	1,3% -5%
Employee turn-over rates	1% - 7%	1%-18%

Table 72

The discount rate is estimated with the assumptions of the performance of the sovereign debt bonds of the commitment country, denominated in percentages, according to the terms of the obligation. The rates of the real yield curve are obtained from the information published daily, by the market; this hypothesis is based on the fact that the Colombian market does not have sufficient liquidity and depth, in high quality corporate bonds.

The table used is the mortality rate, by sex. This table is issued by the Financial Superintendence, through Resolution 1555 of 2010 for Colombia. Ecuador uses the TM IESS 2002 and the Dominican Republic uses the GAM-83 table.

The salary increase rates were determined based on historical performance, the projections of the inflation, and consumer price indexes, in each of the countries that the Group operates.

The turnover rate of employees is estimated, based on market studies and historical data of each of the companies. For example, the table 2003 SOA Pension Plan Turnover Study is used in Colombia and Panama.

26.6 SENSITIVITY ANALYSISS

A quantitative analysis of sensitivity to a change in a significant key assumption, as of December 31st, 2021, would generate the following impact on the obligation for defined benefits, as well as, long-term:

	Pensions	Retroactive Severance	Seniority Premiums	Retirement Bonus
Discount rate + 1%	(997)	(330)	(5.190)	(6.992)
Discount rate -1%	1.019	353	5.863	7.650
Salary increase rate + 1%	1.124	1.198	5.972	7.345
Salary increase rate -1%	(1.105)	(1.147)	(5.366)	(6.800)

Table 73

The methods and assumptions used to prepare sensitivity analyzes of the present value of the obligations did not change compared to the method of the Projected Credit Unit (PUC), used the previous year.

NOTE 27. PROVISIONS

Balance for provisions are as follows:

	2021	2020
Restauration and dismantling	5.918	5.909
Legal contingencies	1.453	3.234
Prizes and incentives	221	216
Total	**7.592**	**9.359**
Current portion	1.674	3.450
Non-current portion	5.918	5.909

Table 74

Legal contingencies: provisions for legal processes are recognized to meet the probable losses estimated against Grupo Nutresa due to labor, civil, administrative and regulatory litigation, which are calculated based on the best estimate of the disbursement required to cancel the obligation to the date of preparation of the financial statements. Taking into consideration the reports of the legal advisors, the Administration considers that said litigation will not significantly affect the financial situation or the solvency of the Group, even in the event of an unfavorable conclusion of any of them. As of December 31st, 2021 and December 31st, 2020, there are no relevant judicial processes that must be disclosed in the financial statements.

Incentives: corresponds to the recognition plans for the management and innovation of the employees and the sales force.

Contingent assets and liabilities

No contingent assets and liabilities are identified that are qualitatively or quantitatively material and that must be disclosed in the financial statements as of December 31st, 2021.

NOTE 28. OTHER LIABILITIES

	2021	2020
Derivative financial instruments	58.137	42.847
Pre-payments and advances received	20.957	13.660
Liabilities from customer loyalty programs (*)	26.614	28.284
Return of goods	-	884
Other	2.546	2.110
Total other liabilities	**108.254**	**87.785**
Current	105.600	83.209
Non-current	2.654	4.576

Table 75

(*) Corresponds to liabilities, from contracts with clients. During 2021, there were no significant variations with respect to 2020..

NOTE 29. LEASES

29.1 GRUPO NUTRESA AS LESSEE

The Group has recognized as leases those contracts that do not meet the conditions for recognition as rights of use in accordance with IFRS 16.

The lease expense during 2021 is composed as follows:

	Low-value leases	Short-term leases	Variable fee leases	Total
Buildings	1.599	10.256	13.409	25.264
Computer equipment	23.036	866	-	23.902
Office equipment	257	-	50	307
Transportation equipment	772	2.188	1.459	4.419
Machinery and production equipment	3.351	4.928	695	8.974
Others	3.187	3.554	-	6.741
Total lease expense	**32.202**	**21.792**	**15.613**	**69.607**

Table 76

The lease expense during 2020 is composed as follows:

	Low-value leases	Short-term leases	Variable fee leases	Total
Buildings	2.007	8.140	5.511	15.658
Computer equipment	21.020	899	-	21.919
Office equipment	378	4	56	438
Transportation equipment	912	1.469	830	3.211
Machinery and production equipment	4.224	5.572	201	9.997
Others	2.717	3.524	-	6.241
Total lease expense	**31.258**	**19.608**	**6.598**	**57.464**

Table 77

29.2 GRUPO NUTRESA AS LESSOR

Grupo Nutresa has properties under operating leases, (mainly buildings) with a book value of $2.084 (2020: $2.266) at December 31st, 2021, upon which income of $1.491 (2020: $3.659), with a term period between 1 to 10 years..

NOTE 30. EQUITY

30.1 SUBSCRIBED AND PAID SHARES

As of December 31st, of 2021 and 2020, the balance of capital of the Parent Company was $2.301, representing a total of 457.755.869 shares as of December 31st, 2021 (2020: 460.123.458 shares) fully paid and subscribed shares. There were no changes to the make-up of the capital, during neither the period, nor the comparative period.

There is a paid-in capital of shares for $546.832, from the issuance of shares made in previous periods.

The shares of the company are listed on the Stock Exchange of Colombia to December 31st, 2021, and its value was $28.640, per share (2020: $24.000).

At December 31st, 2021, the common shares are held by 12.574 (2020: 11.537 Shareholders). The Corporate Structure, of the Grupo Nutresa, at December 31st, 2021 and 2020, is as follows:

Group of Investors	**2021**		2020	
	Number of shares	**% Participation**	Number of shares	% Participation
Grupo de Inversiones Suramericana S.A.	163.558.938	35,7%	162.758.405	35,4%
Grupo Argos S.A.	45.243.781	9,9%	45.243.781	9,8%
Colombian Funds	100.334.469	21,9%	93.712.571	20,4%
International Funds	28.890.824	6,3%	33.982.986	7,4%
Other investors	119.727.857	26,2%	124.425.715	27,0%
Total outstanding shares	**457.755.869**	**100%**	**460.123.458**	**100%**

Table 78

30.2 RESERVES AND RETAINED EARNINGS

Of the accounts that make up the equity reserves at December 31st of 2021 and 2020, are as follows:

	2021	2020
Legal reserves	81.943	87.201
Non-distributable occasional reserves	1.558.597	1.558.597
Other reserves	2.547.152	2.395.967
Total Reserves	**4.187.692**	**4.041.765**
Retained earnings	(41.382)	(38.510)
Total	**4.146.310**	**4.003.255**

Table 79

Legal reserves: In accordance with Colombian Commercial Law, 10% of the net income each year should be appropriated as a legal reserve, until the balance is equivalent to at least 50% of the subscribed capital. The reserve is not distributable before the liquidation of the Company, but must be used to absorb losses. The excess over the minimum required by law is freely available to the Shareholders.

Occasional non-distributable reserves: corresponds to the voluntary reserve approved by the Shareholders in a meeting on March 18, 2016, about the retained earnings, generated in the process of First-time adoption of IFRS.

Other reserves for the shares buyback: At the meeting held on March 24, 2020, a reserve of $300.000 was approved to formulate one or several offers for the shares buyback, charged to the Reserve for the Shares Buyback, provided that the shares to be acquired they are fully released and the applicable regulations on the trading of shares in the stock market are observed. In 2021, 2.367.589 shares are repurchased, the balance of this reserve in 2021 is $247.964 (2020: $300.000).

Retained earnings: The movement in 2021 corresponds mainly to the realization of other comprehensive results for employee benefits due to a pension gap of $326; in Nutresa de Chile S.A, transfer of profits from foreign companies ($5.258), the restatement of equity for TMLUC Argentina $395.

The movement in 2020 corresponds mainly to the realization of other comprehensive results for employee benefits due to pension gap $ 3.329 Servicios Nutresa S. A. S., transfer of profits from foreign companies $ 6.031, acquisition of the controlling interest of the Pactual Private Capital Fund $ 808 and effect for the allocation of the purchase price of Cameron´s Coffee & distribution Company $ 2.892.

30.3 DISTRIBUTION OF DIVIDENDS

The ordinary Shareholders of Grupo Nutresa S.A., at the meeting, held on March 23, 2021, declared ordinary share dividends of $58,50(*) pesos per-share and per-month, equivalent to a $702(*) pesos annually per share (2020: $649,20(*) annually per share), over 460.123.458 outstanding shares, during the months from April 2021 to March 2022, inclusive, for a total of $323.006 (2020: – $298.712). In addition, dividends were issued to non-controlling interest of $2.910 (2020: $4.552). See Note 30.4

This dividend was declared, taken from untaxed income 2020 $297.553, and untaxed income 2019 $25.454

During 2021, dividends were paid in the amount of $317.948 (2020: $298.063), that include dividends paid to non-controlling interest of $2.910 (2020: $4.552).

As of December 31st, 2021, accounts payable, pending are $91.596 (2020: $ 84.766).

(*) In Colombian Pesos.

Shares Buyback

During The Ordinary Shareholders of Grupo Nutresa in 2020, the shares buyback project was approved for the next three years until $300.000, in order to deliver part of the value generated by the company to all shareholders.

As of December 31st, 2021, 2.367.589 shares of the Group were acquired, for $52.036, and $1.138 of dividends from the reacquired shares were recognized in the reserves.

The number of outstanding shares is presented below:

# Shares outstanding initial balance	Shares buyback	# Shares outstanding final balance
460.123.458	2.367.589	457.755.869

Table 80

30.4 NON-CONTROLLING INTEREST

Participation of non-controlling interest at December 31st, 2021 and 2020 is as follows:

Subsidiary	Country of Origin	% Non-controlling interest		2021		2020	
		2021	2020	**Non-controlling Interest in Equity**	**Gains or (Losses) Attributable to Non-controlling Interest**	Non-controlling Interest in Equity	Gains or (Losses) Attributable to Non-controlling Interest
Novaceites S. A.	Chile	50,00%	50,00%	32.960	2.530	33.192	3.262
La Recetta Soluciones Gastronómicas Integradas S. A. S.	Colombia	30,00%	30,00%	499	(56)	501	87
Setas Colombianas S. A.	Colombia	0,49%	0,50%	250	18	244	24
Helados Bon	Dominican Republic	18,82%	18,82%	10.320	3.600	6.357	1.506
Basic Kitchen S.A.S.	Colombia	20,00%	-	3.051	51	-	-
Fondo de Capital Privado "Cacao para el Futuro" – Compartimento A	Colombia	-	-	-	-	-	32
Schadel Ltda. Schalin del Vecchio Ltda.	Colombia	0,12%	0,12%	8	(1)	9	(1)
Productos Naturela S. A. S	Colombia	40,00%	40,00%	1.832	302	1.687	315
Atlantic FS S.A.S.	Colombia	49,00%	49,00%	27.253	9.931	17.304	3.178
Total				**76.173**	**16.375**	**59.294**	**8.403**

Table 81

The dividends declared for the companies with non-controlling interests are shown below:

	Country of Origin	2021		2020	
		Dividends declared from subsidiaries with non-controlling interests	**Dividends declared corresponding to the non-controlling portion**	Dividends declared from subsidiaries with non-controlling interests	Dividends declared corresponding to the non-controlling portion
Novaceites S. A.	Chile	3.782	1.891	3.662	1.831
Setas Colombianas S. A.	Colombia	1.206	6	6.031	30
Helados Bon	Dominican Republic	4.545	855	13.814	2.600
Schadel Ltda. Schalin del Vecchio Ltda.	Colombia	-	-	237	-
Productos Naturela S. A. S	Colombia	393	157	228	91
Total		**9.926**	**2.909**	**23.972**	**4.552**

Table 82

NOTE 31.
OTHER COMPREHENSIVE INCOME

Below is a breakdown of each of the components of accumulated other comprehensive results, in the Consolidated Financial Statements:

	Actuarial Results (31.1)	Financial Instruments (31.2)	Associates and Joint Ventures (31.3)	Reserves for Translations (31.4)	Cash flow hedges	Total Accumulated Other Comprehensive Income	Non-controlling Interest	Total OCI Attributed to Controlling Interest
Balance at January 1st, 2021	**(31.881)**	**2.369.949**	**9.327**	**754.198**	**(25.709)**	**3.075.884**	**(5.865)**	**3.070.019**
Losses/gains from new measurements	5.174	288.138	11.264	-	97.885	402.461	-	**402.461**
Impact of exchange translation for the period	-	-	-	157.825	-	157.825	-	**157.825**
Income tax associated	920	(6.294)	(4.609)	-	(26.722)	(36.705)	-	**(36.705)**
Realization of the OCI to accumulated profits	326	-	-	-	-	326	-	**326**
Participation of non-controlling in OCI for the period	-	-	-	-	-	-	(308)	**(308)**
Balance at December 31st, 2021	**(25.461)**	**2.651.793**	**15.982**	**912.023**	**45.454**	**3.599.791**	**(6.173)**	**3.593.618**

	Actuarial Results (31.1)	Financial Instruments (31.2)	Associates and Joint Ventures (31.3)	Reserves for Translations (31.4)	Cash flow hedges	Total Accumulated Other Comprehensive Income	Non-controlling Interest	Total OCI Attributed to Controlling Interest
Balance at January 1st, 2020	**(35.946)**	**3.213.293**	**7.068**	**589.525**	**(836)**	**3.773.104**	**(2.984)**	**3.770.120**
Losses/gains from new measurements	2.545	(843.345)	3.227		(31.911)	(869.484)	-	**(869.484)**
Impact of exchange translation for the period	-	-	-	164.673	-	164.673	-	**164.673**
Income tax associated	(1.809)	1	(968)	-	7.038	4.262	-	**4.262**
Realization of the OCI to accumulated profits	3.329	-	-	-	-	3.329	-	**3.329**
Participation of non-controlling in OCI for the period	-	-	-	-	-	-	(2.881)	**(2.881)**
Balance at December 31st, 2020	**(31.881)**	**2.369.949**	**9.327**	**754.198**	**(25.709)**	**3.075.884**	**(5.865)**	**3.070.019**

Table 83

31.1 ACTUARIAL GAINS (LOSSES) ON THE RE-MEASUREMENT OF DEFINED BENEFIT PLANS

The component of new measurements of defined benefit plans represents the accumulative value of the actuarial gains and losses, mainly due to pensions, retroactive severance, and other retirement benefits in Colombia and Chile. The net value of the new measurements is transferred to retained earnings and not reclassified to the Income Statement.

See Note 26.2, for detailed information about the post-employment defined benefit plans, that result in these actuarial gains and losses.

31.2 FINANCIAL INSTRUMENTS - EQUITY INVESTMENTS MEASURED AT FAIR VALUE THROUGH OTHER COMPREHENSIVE INCOME

The component of other comprehensive income from equity investments measured at fair value through other comprehensive income represents the accumulated values of the gains or losses valuation to fair value minus the amounts transferred to retained earnings when these investments are sold. Changes of fair value are not reclassified to the Income Statement.

See Note 16 for detailed information on these investments.

31.3 ASSOCIATES AND JOINT VENTURES - INTEREST IN OTHER ACCUMULATED COMPREHENSIVE INCOME

The component of other comprehensive income of investments in associates and joint ventures represents the accumulated value of gains or losses from participation in other comprehensive income of the investee. These retained earnings will be transferred to profit and loss in the cases dictated by the accounting standards.

See note 15, for detailed information on investments in associates and joint ventures.

31.4 RESERVES FOR TRANSLATION OF FOREIGN OPERATIONS

Grupo Nutresa's Consolidated Financial Statements include foreign subsidiaries, located mainly in Chile, Costa Rica, the United States, Mexico, Peru, Panama, and other Latin American countries that represent 34,11% and 33,33% of total consolidated assets in December 2021 and 2020, respectively; the Financial Statements of these subsidiaries are translated into Colombian pesos, in accordance with the accounting policies of Grupo Nutresa.

The impact of exchange rates on the translation of assets, liabilities, and results of foreign subsidiaries in other comprehensive income is as follows:

		2021	2020
Chile	CLP	(50.894)	179.610
Costa Rica	CRC	68.157	(18.199)
United States	USD	57.409	13.928
México	MXN	31.395	(1.953)
Peru	PEN	16.772	(14.391)
Panama	PAB	20.404	5.460
Others		14.582	218
Impact of exchange translation for the period		**157.825**	**164.673**
Reserves for exchange translation, at the beginning of the period		754.198	589.525
Reserves for exchange translation at the end of the period		**912.023**	**754.198**

Table 84

The translation of Financial Statements in the preparation of the Consolidated Financial Statements does not generate a tax impact.

The accumulated translation differences are reclassified to current earnings, partially or totally, when the operation is available abroad.

See Note 3.3.2 for information on the main exchange rates used in the translation of the Financial Statements of foreign companies.

31.5 CASH FLOW HEDGE

The component of other comprehensive income hedging cash flow represents the value of financial instruments used to hedge the effect of exposure to risk associated with the exchange rate. These accumulated profits may be transferred to income for the period in the cases provided by accounting standards.

NOTE 32.
EXPENDITURE BY NATURE

Below is a detailed breakdown of cost and expenditures, by nature, for the period:

	2021	2020
Inventory consumption and other costs	5.978.414	4.853.295
Employee benefits (Note 26.4)	1.946.537	1.825.101
Other services [1]	1.186.387	943.996
Other expenses [2]	483.990	556.486
Transport services	485.741	429.165
Depreciation and amortization [*]	291.954	300.473
Right-of-use depreciation [*]	128.700	120.911
Manufacturing services	110.993	171.969
Seasonal services	206.562	193.890
Energy and gas	199.065	178.123
Advertising material	142.735	119.810
Maintenance	134.994	117.275
Taxes other than income tax	94.811	80.510
Leases	69.608	57.464
Fees	108.895	92.324
Insurance	53.324	48.691
Impairment of assets	47.402	30.912
Total	**11.670.112**	**10.120.395**

Table 85

[1] Other services include marketing, cleaning and surveillance, shelving and displays, food, public services, commercial plan of action, software, and storage.
[2] Other expenses include spare parts, travel expenses, containers and packaging, fuels and lubricants, contributions and affiliations, commissions, taxis and buses, building supplies, stationery and office supplies, cleaning and laboratory supplies, legal expenses and licenses and prizes.

[*] Expenses for depreciation and amortization, impacted profit and loss, for the period, is as follows:

	2021	2020
Cost of sales	175.806	175.679
Sales expenses	215.410	213.169
Administrative expenses	23.615	25.370
Production expenses	5.823	7.166
Total	**420.654**	**421.384**

Table 86

NOTE 33.
OTHER OPERATING INCOME (EXPENSES), NET

The following is a breakdown of other operating income (expenses), net:

	2021	2020
Indemnities and recuperations	11.425	9.823
Disposal and removal of property, plant and equipment and intangibles [1]	137	(2.794)
Fines, penalties, litigation, and legal processes	(2.611)	(4.929)
Other income and expenses	2.102	2.618
Government grants	2.576	1.116
Donations [2]	(12.801)	(20.107)
Disposal and removal of right-of-use assets	3.037	1.522
Leases forgiveness income	5.173	13.661
Total	**9.038**	**910**

Table 87

[1] In 2020 it corresponds mainly to machinery and equipment retirement.
[2] The effect of the pandemic worldwide in 2020, had left millions of families without an employ, without business, lowering the level of incomes significantly, for that reason Grupo Nutresa contributed to the fight against this pandemic, by donating products and money to the low income families in each of the geographies in which it operates.

NOTE 34.
EXCHANGE RATE VARIATION IMPACT

The differences in exchange rates of assets and liabilities, recognized in profit and loss, are as follows:

	2021	2020
Realized	34.540	14.136
Unrealized	(6.440)	(2.604)
Operating exchange differences (*)	**28.100**	**11.532**
Non-operating exchange differences	23.055	(10.779)
Total income from exchange differences	**51.155**	**753**

Table 88

[*] The difference in operating exchange rate is distributed among customers $19.654 (2020: $5.333), suppliers $-26.774 (2020: $-7.982), raw materials $467 (2020: $0) and cash flow hedges of $34.753 (2020: $14.181). Note 23.6 discloses information related to hedging transactions that have an impact on profits/losses, due to exchange differences.

NOTE 35.
FINANCIAL INCOME AND EXPENSES

35.1 FINANCIAL INCOME

The financial income recognized in the Income Statement, are as follows:

	2021	2020
Interest	19.659	19.453
Valuation of other financial instruments (*)	778	3.224
Valuation of employee benefits	12.460	-
Others	567	1.345
Total	**33.464**	**24.022**

Table 89

(*) Income from the assessment of other financial instruments corresponds to the valuation of the rights held by the private equity "Cacao para el Futuro". See Note 39 for information on the methodology and variables used in the valuation.

35.2 FINANCIAL EXPENSES

The financial expenses recognized in the Income Statement, are as follows:

	2021	2020
Loans interest	116.700	158.854
Bonds interest	6.199	11.381
Interest from financial leases	11	125
Total interest expenses	**122.910**	**170.360**
Employee benefits	16.044	17.132
Right-of-use financial expenses	56.370	59.060
Other financial expenses	45.752	36.326
Total financial expenses	**241.076**	**282.878**

Table 90

The decrease, in interest expensed, reflects the decrease in reference rates during the year, thus decreasing the average cost of the debt and allowing the attainment of loans, with lower associated rates. See Note 23.5.

NOTE 36.
DISCONTINUED OPERATIONS

Discontinued operations included:
2021: Liquidation of the "Fondo del capital privado Cacao para el Futuro - Compartimento A" the companies Nacional de Chocolates S. A. and Galletas Noel S. A. have decided not to exercise the right to forest flight of the cocoa plantation, and donate it, in such a way that farmers can take advantage of the crop.
2020: Liquidation of the company TMLUC Argentina.

The following, is a breakdown of the principal income and expenses, incurred in this project:

	2021	2020
Income	-	97
Expenses	(219)	(652)
Gross losses	**(219)**	**(555)**
Other income	1.115	-
Donations	(32.103)	-
Operational losses	**(31.207)**	**(555)**
Other financial income	-	2
Net loss	**(31.207)**	**(553)**

Table 91

NOTE 37.
EARNINGS PER SHARE

The amount of basic earnings per share is calculated by dividing net profit for the year attributable to holders of ordinary equity of the Parent, by the weighted average number of ordinary outstanding shares during the year.

Below is the information about earnings and number of shares used in the computations of basic earnings per share:

	2021	2020
Net income attributable to holders of ordinary instruments of the Parent	**676.879**	**575.441**
Continuing operations	708.086	575.994
Discontinued operations	(31.207)	(553)
Weighted average of outstanding shares	**458.948.033**	**460.123.458**
Earnings per share attributable to controlling interest	**1.474,85**	**1.250,62**

Table 92

(*) In Colombian Pesos.

There are no equity instruments with potential dilutive impact on earnings per share.

In accordance with the current corporate regulations in Colombia, applicable to the Parent Company of Grupo Nutresa, the distribution and payment of dividends to the Shareholders of the Parent Company is not realized in Consolidated Financial Statements, but on the Separate Financial Statements of Grupo Nutresa S. A. The following represents the net income and earnings per share of Grupo Nutresa S. A., presented in its Financial Statements for the annual period ended in December 31st, 2021 and 2020.

	2021	2020
Net profit	684.819	583.241
Earnings per share	1.492,15	1.267,58

Table 93

NOTE 38. FINANCIAL RISKS: OBJECTIVE AND POLICIES

The activities of the Parent Company and its subsidiaries are exposed to various financial risks: market risk (including foreign exchange risk, interest rate risk and commodities price risk), counterparty credit risk, and liquidity risk. The Risk Management Policy of the Company is focused on the risks that impede or jeopardize the achievement of its financial objectives seeking to minimize potential adverse effects on financial profitability.

The Company uses financial derivatives to hedge some of the risks described above likewise has a risk committee that defines and controls the policies relating to market risks (raw material prices, exchange rate, interest rate), and counterparty credit.

38.1 EXCHANGE RATE RISK

The Company operates internationally and therefore is exposed to the risk of exchange rate operations with foreign currencies, especially the U.S. dollar. The exchange rate risk arises mainly from commercial operations and liabilities, where in some cases, derivatives are used to mitigate it. The existing basic standards allow free negotiation of foreign currency through banks and other financial institutions at freely determined exchange rates. However, most foreign currency transactions still require official approval.

The impact of the translation of the Financial Statements of subsidiaries, whose functional currency is different from the Colombian peso, is presented in Note 31.4. The Company and its subsidiaries held the following assets and liabilities in foreign currencies accounted for the equivalent in Colombian pesos to December 31st.

Currency	2021		2020	
	USD	**COP**	USD	COP
Current assets	484.746.908	1.929.855	467.774.404	1.605.636
Non-current assets	968.016.357	3.853.828	1.041.177.870	3.573.843
Total assets	**1.452.763.265**	**5.783.683**	**1.508.952.274**	**5.179.479**
Current liabilities	(190.252.841)	(757.427)	(175.558.384)	(602.604)
Non-current liabilities	(244.648.042)	(973.983)	(256.062.725)	(878.935)
Total liabilities	**(434.900.883)**	**(1.731.410)**	**(431.621.109)**	**(1.481.539)**
Net assets	**1.017.862.382**	**4.052.273**	**1.077.331.165**	**3.697.940**

Table 94

The Group also maintains obligations in foreign currencies which are exposed to exchange rate risks (the balances of financial obligations in other currencies are detailed in Note 23.4).

To evaluate the sensitivity of balances of financial obligations related to exchange rates, all of the obligations, to December 31st, 2021, in currencies other than the Colombian pesos and that do not have cash flow hedges, are evaluated. A 10% increase in exchange rates, in reference to the dollars (COP/USD), generates an increase of $267 over the book value.

38.2 INTEREST RATE RISK

Changes in interest rates affect the interest expense on financial liabilities tied to a variable interest rate; like they can modify the fair value of financial liabilities that have a fixed interest rate. For the Company, the interest rate risk comes mainly from debt operations, including debt securities, bank lending, and leasing. These financings are exposed to the risk of interest rate, mainly due to changes in base rates (mostly IPC - IBR - DTF - TAB [Chile] and to a lesser extent, LIBOR - TIIE [Mexico]) that are used to determine the applicable interest rates on bonds and loans. The Group uses derivative financial instruments to cover part of the debt service. Information on the structure of financial risk tied to fixed interest rate and

variable interest rate, and the corresponding hedging transactions are detailed in Note 23.5.

To provide an idea of the sensitivity of financial expenditure to interest rates, an assumption of a variation of + 100bp, has been made in the reference market interest rates, while maintaining the rest of the variables constant; in this scenario, the financial expense of the Group, and in turn, net income, would change by $26.021, by the end of 2021, other components of net equity would not have been impacted.

38.3 RISK OF SUPPLY PRICES

The Company is exposed to the price risk of the goods and services that it acquires for the development of its operations, for which it negotiates purchase contracts, to ensure a continued supply and in some cases, at fixed prices. It also uses derivative financial instruments on commodities to cover this risk.

Among the main raw materials, which are at risk of fluctuation in prices, is coffee, which accounts for 13,8% of the total production cost, wheat which is 6,1%, beef and pork which are 10,8%, and cocoa which is 4,9%.

38.4 COUNTERPARTY CREDIT RISK

Liquid assets are invested mainly in savings accounts, collective portfolios, and short-term fixed-income instruments, which comply with the Company's risk policy, both by amount and by issuer. Additionally, the Company evaluates the counterparty credit risk to the financial entities with which it has a relationship. As of December 31st, 2021, the Group holds 862.706 (2020: $933.564) in cash and investments classified as cash equivalents, in entities of the financial sector with AA- risk rating. None of these investments present a delay in the payment of cash flows, nor have they been subject to impairment.

With regard to the credit risk in sales to third parties, the Company carries out procedures for the evaluation of customers, which include the allocation of credit quotas and the credit assessment of the third party, among others. Note 10 discloses information on impairment losses and portfolio maturity.

38.5 LIQUIDITY RISK

Grupo Nutresa is able to finance their liquidity requirements and capital resources, through various sources, including:

- Cash generated from operations
- Lines of short and long-term credits
- Debt emissions for medium and long-term
- Issuance of treasury shares

The Administration supervises the Company's liquidity projections, based on the expected cash flows. The Group's liquidity management contemplates, among others: i) the projections of the cash flows and assessment of the level of liquid assets necessary to comply with these projections; ii) the monitoring of the composition of working capital in the statement of financial position; and iii) the maintenance of debt financing plans.

The following table presents the summary of free cash flow:

	2021	2020
EBITDA	**1.532.391**	**1.443.576**
(-) Leases paid	162.373	144.175
Adjusted EBITDA	**1.370.018**	**1.299.401**
(+) (-) items that do not generate cash movement	15.493	9.538
Investment in working capital	(173.539)	(86.733)
CAPEX(*)	(369.020)	(267.245)
Discontinued operations	(11)	151
Cash tax coverage	(289.422)	(180.939)
Operating cash flows	**553.519**	**774.173**

Table 95

(*) Investments in CAPEX are presented as net and include: purchases of property, plant and equipment, amounts from the sale of productive assets, and the acquisition of intangibles and other productive assets.

NOTE 39.
FAIR VALUE MEASUREMENT

The following table shows the fair value hierarchy measurement of assets and liabilities of the Group:

2021	Hierarchy of Fair Value Measurement			Fair value of assets
Type of asset	Level 1	Level 2	Level 3	
Assets whose fair value is revealed in the Notes of the Financial Statements	**-**	**28.153**	**-**	**28.153**
Investment properties (Note 19)		28.153		28.153
Assets/Liabilities measured at fair value	**2.945.813**	**280.087**	**82.390**	**3.308.290**
* **Recurrent**	**2.945.813**	**280.087**	**82.390**	**3.225.900**
Investments in quoted shares (Note 16)	2.945.813	-	-	2.945.813
Financial derivatives, net (Note 23.6)	-	68.709	-	68.709
Biological assets (Note 12)	-	211.378	-	211.378
***Non-recurrent**	**-**	**-**	**82.390**	**82.390**
Investments in non-quoted shares (Note 16)	-	-	82.390	82.390
Total	**2.945.813**	**308.240**	**82.390**	**3.336.443**

2020	Hierarchy of Fair Value Measurement			Fair value of assets
Type of asset	Level 1	Level 2	Level 3	
Assets whose fair value is revealed in the Notes of the Financial Statements	**-**	**28.153**	**-**	**28.153**
Investment properties (Note 19)		28.153		28.153
Assets/Liabilities measured at fair value	**2.651.906**	**155.662**	**27.085**	**2.834.653**
* **Recurrent**	**2.651.906**	**155.662**	**-**	**2.807.568**
Investments in quoted shares (Note 16)	2.651.906	-	-	2.651.906
Other financial instruments (Note 13)	-	68.194	-	68.194
Financial derivatives, net (Note 23.6)	-	(40.146)	-	(40.146)
Biological assets (Note 12)	-	127.614	-	127.614
***Non-recurrent**	**-**	**-**	**27.085**	**27.085**
Investments in non-quoted shares (Note 16)	-	-	27.085	27.085
Total	**2.651.906**	**183.815**	**27.085**	**2.862.806**

Table 96

Investments in listed shares. The fair value of shares traded and that are classified as high trading volume is determined based on the price quoted on the Colombian Stock Exchange; this measurement is in the Hierarchy 1, established by IFRS 13 for measuring fair value. This category includes investments held by Grupo Nutresa in Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. This measurement is realized monthly and generated profits of $263.421 (2020: losses $843.345), recognized in the other comprehensive income.

The following is the value per share, used in the valuation of investments listed on the Colombian Stock Exchange:

Price per share (in Colombian Pesos)	2021	2020
Grupo de Inversiones Suramericana S.A.	30.000	25.280
Grupo Argos S.A.	13.550	13.900

Table 97

Investments in other companies classified in this category are measured at fair value on a non-recurrent basis, only when a market value is available. The Company considers omission of recurrent measurement of these investments is immaterial for the presentation of Grupo Nutresa's Financial Statements.

There have been no changes in the fair value hierarchy for the measurement of these investments, nor have there been changes in the valuation techniques used.

Financial derivatives. All financial derivatives are measured at fair value, on a monthly basis, according to the Black Scholes Model. These items are classified in Level 2, of the fair value hierarchy.

The primary variables, using the valuation methodology, are the following:

- Spot exchange rate
- Future exchange rate agreed upon
- Expiration date
- Risk-free rate in COP and USD
- Volatilities of the exchange rate

The valuation of non-designated derivative financial instruments generated a profit in the Income Statement of $320 (2020: losses $600,13), recorded as part of the exchange difference of non-financial assets and liabilities.

Biological assets. Corresponds to the inventory of pigs and cattle in Colombia, which are measured at fair value, using as a reference the market value published by the National Association of Pig Farmers and livestock auctions at fairs, in each location. At December 31st, 2021, the price per average kilo of the pig livestock used in the valuation was $8.593* (2020: $7.305*); for cattle a price per average kilo of $6.856* (2020: $4.840*) was used.

The gain for the period, due to changes in fair value, less the cost of sale of biological assets in 2021, was $11.508 (2020: $13.131), and is included in the Income Statement, as operating income.

(*) In Colombian Pesos.

Investments in unquoted shares. These investments correspond primarily to other investments.

NOTE 40.
DISCLOSURE OF RELATED PARTIES

The following table shows related parties' transactions, at the year-end:

2021								
Company	Receivables Balance (*)	Payables Balance	Purchases of goods and services	Sales of goods and services	Dividends income	Dividends paid	Interests income	Interests expenses
Associates and joint ventures								
Bimbo de Colombia S.A.	5.805	1.476	5.643	50.591	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd	226	-	131	39	-	-	-	-
Estrella Andina S.A.S.	10	-	-	19	-	-	-	-
Entities with significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	21.126	17.482	83.617	31.880	36.820	111.994	-	-
Other related parties								
Grupo Bancolombia	787	1.524.806	58.764	2.332	-	-	1.564	46.786
Grupo Argos	59	-	-	128	30.485	31.164	-	-
Fundación Nutresa	-	1.328	6.531	-	-	-	-	-
Corporación Vidarium	222	85	3.301	-	-	-	-	-
Alpina Productos Alimenticios S.A.	1.886	17.857	19.888	3.995	-	-	-	-
Members, Board of Directors	**-**	**148**	**1.239**	**-**	**-**	**-**	**-**	**-**

2020								
Company	Receivables Balance (*)	Payables Balance	Purchases of goods and services	Sales of goods and services	Dividends income	Dividends paid	Interests income	Interests expenses
Associates and joint ventures								
Bimbo de Colombia S.A.	3.289	1.067	6.374	53.033	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd	195	-	3.232	572	516	-	-	-
Oriental Coffee Alliance (OCA)	-	-	2.611	140	-	-	-	-
Estrella Andina S.A.S	4	-	-	18	-	-	-	-
Entities with significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	17.878	14.539	79.218	36.090	38.688	103.729	-	-
Other related parties								
Grupo Bancolombia	920	1.381.748	43.057	4.024	-	-	37	67.184
Grupo Argos	7.510	-	-	88	30.007	28.951	-	-
Fundación Nutresa	36	1.179	5.628	30	-	-	-	-
Corporación Vidarium	177	57	3.101	-	-	-	-	-
Alpina Productos Alimenticios S.A.	1.475	18.635	23.959	3.159	-	-	-	
Members, Board of Directors	**-**	**28**	**1.139**	**-**	**-**	**-**	**-**	**-**

Table 98

Purchases and sales were executed in equivalent conditions than those of the market. Outstanding balances are expected to be settled under normal conditions; these balances have not been granted, nor received guarantees. No expense has been recognized in the current or prior periods, regarding uncollectable debts or doubtful accounts related amounts, owed by related parties.

During the period, payments in the amount of $116.321 (2020: $131.443) for 99 (2020: 148) key personnel were realized.

NOTE 41.
EVENTS AT THE END OF THE QUARTER

These Consolidated Financial Statements were authorized for issuance, by the Board of Grupo Nutresa, on February 24, 2022. There are no significant events after the closing of the Financial Statements, and up until the date of its approval, that might significantly impact Grupo Nutresa's Financial Position, reflected in these Consolidated Financial Statements at closing, December 31st, 2021.

Separate Financial Statements

Statutory auditor's report on the separate financial statements

(Free translation from the original in Spanish)

To the Shareholders of Grupo Nutresa S. A.

Opinion

I have audited the accompanying separate financial statements of Grupo Nutresa S. A., which include the separate statement of financial position as at December 31, 2021, and the separate statements of comprehensive income, changes in the shareholders' equity and cash flows for the year then ended, and the notes to the financial statements, including a summary of the significant accounting policies.

In my opinion, the accompanying separate financial statements, faithfully taken from the accounting books, present fairly, in all material aspects, the financial position of Grupo Nutresa S. A. as at December 31, 2021, 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 financial reporting auditing standards accepted in Colombia. My responsibilities in accordance with these standards are described below in the section of the Statutory Auditor Responsibilities with respect to the audit of the financial separate statements of this report.

I am independent of Grupo Nutresa S. A. in accordance with the Code of Ethics for Professional Accountants in the International Ethics Standards Board for Accountants (IESBA) together with the requirements of ethics that are applicable to my audit of the separate financial statements in Colombia, and I have complied with the other responsibilities of ethics in accordance with these requirements and with the Code of Ethics of the IESBA.

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

Emphasis of matter

I draw attention to Note 22.4 to the financial statements, which states that the Grupo Nutresa, pursuant to Decree 1311 dated October 20, 2021, has chosen to recognize directly in equity the changes in deferred taxes generated by the increase in the income tax rate enacted by Act 2155 - Social Investment Act, dated September 14, 2021, affecting retained profits with an expense amounting to $861 billion and not the income of the period, as set forth in IAS 12 - Income taxes. My opinion is not changed on this matter.

To the Shareholders of Grupo Nutresa S. A.

Other information

The Management is responsible for the other information. The other information includes the business group special report, legal provisions, and evaluation on the performance of the systems of disclosure of information and control of financial information we obtained prior to the date of this audit report, but does not include the financial statements, neither my reports as a statutory auditor, nor the management report on which I pronounce later in the section “Report regarding other legal and regulatory requirements” in accordance with the requirements defined in Article 38 of Act 222 of 1995.

My opinion on the financial statements does not cover the other information and I do not express any form of conclusion that would provide a degree of assurance about it. With regard to my audit of the financial statements, my responsibility is to read the other information and, in so doing, consider whether there is a material inconsistency between the other information and the financial statements or the knowledge I have obtained in the audit or whether there appears to be a material misstatement in the other information for any other reason. If, based on the work I have done, I conclude that there is a material misstatement in this other information, I am obliged to report it. I have nothing to report on this.

Responsibilities of the management and managers on the separate financial statements

The management is responsible for the adequate preparation and fair presentation of these accompanying separate financial statements, in accordance with the accounting and financial reporting standards accepted in Colombia, and for the internal control as the management determined necessary for the preparation of these separate financial statements to be free from material misstatement due to fraud or error.

In the preparation of separate financial statements, the management is responsible for the assessment of the ability of the Group to continue as a going concern, revealing, as appropriate, any matters relating to the ongoing concern principle, and using the accounting going concern principle, except if the management intends to liquidate the Group or to cease its operations, or that there is no more realistic alternative than to do so.

The managers are responsible for the oversight of the financial reporting process of the Group.

Responsibilities of the statutory auditor regarding the audit of the separate financial statements

My objective is to obtain a reasonable assurance that the separate financial statements, as a whole, are free from material misstatement, due to fraud or error, and to issue an audit report that contains my opinion. “Reasonable assurance” is a high degree of assurance, but it does not guarantee an audit conducted in accordance with the financial reporting auditing standards accepted in Colombia always detects a material misstatement when it exists. The misstatements may be due to fraud or error and are considered material if, individually or in aggregate, it is possible to anticipate that they influence the economic decisions made by users based on the separate financial statements.

As part of an audit in accordance with the financial reporting auditing standards accepted in Colombia, I apply my professional judgment and maintain an attitude of professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement in the separate financial statements, due to fraud or error; design and apply audit procedures to respond to these risks; and obtain sufficient and appropriate audit evidence to provide a basis for my opinion. The risk of not detecting a material misstatement due to fraud is higher than a material misstatement due to error, because fraud may involve collusion, counterfeiting, deliberate omissions, intentionally wrong manifestations or internal control circumvention.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances.

- Assess the appropriateness of accounting policies applied, reasonableness of accounting estimates and the corresponding disclosures performed by the management.

- Conclude on the appropriateness of the use by the management of the accounting going concern principle and, based on the audit evidence obtained, I conclude on whether or not there is a material uncertainty related to events or conditions that can generate significant doubts about the ability of the Group to continue as a going concern. If I conclude that there is a material uncertainty, it is required to draw the attention on my audit report on the related information disclosed in the separate financial statements or, if those disclosures are not adequate, I express a modified opinion. My conclusions are based on the audit evidence obtained up to the date of my audit report. However, facts or future conditions may cause the Group to cease being a going concern.

- Assess the overall presentation, structure and content of the separate financial statements, including the information disclosed, and whether the separate financial statements represent transactions and underlying facts so that the fair presentation is achieved.

- I communicate to the managers, any issues related to scope and timing planned of the audit and significant findings of the audit, as well as any significant internal control weaknesses I identify in the course of the audit.

Report regarding other legal and regulatory requirements

The management is also responsible for complying with certain regulatory requirements in Colombia, related to the management of accounting documentation, the preparation of management reports, and the timely and proper payment of contributions to the Integral Social Security System. My responsibility as statutory auditor in these matters is to perform review procedures to issue an opinion on its appropriate compliance with them.

Accordingly, in my opinion:

a) The Company's accounting records for the year ended on December 31, 2021 have been kept in conformity with legal regulations and accounting technique, and transactions therein recorded conform to the bylaws and decisions of the Shareholders' Meeting and Board of Directors.

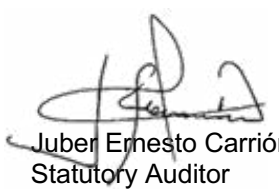
b) The correspondence, accounting vouchers, books of minutes and partner register are properly kept and safeguarded.

c) Due concordance exists between the accompanying separate financial statements and the report prepared by the management. The managers have stated in such 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 income basis for contribution, has been taken from the accounting records and supporting documents. At December 31, 2021, the Company is not in arrears regarding the 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.

In compliance with the statutory auditor's responsibilities stated in sections 1 and 3 of Article 209 of the Code of Commerce, in connection with assessment of whether the acts of the management of Grupo Nutresa S. A. conform to the bylaws, orders and instructions of the Shareholders' Meeting, and whether appropriate measures of internal control, safekeeping and custody of the Company's assets or those of third parties in its possession are in place, I have issued a separate report dated February 24, 2022.



Juber Ernesto Carrión
Statutory Auditor
Professional card No. 86122-T
Appointed by PwC Contadores y Auditores S.A.S.
February 24, 2022

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 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.

Main issue description

In the development of my duties as statutory auditor of Grupo Nutresa S. A. and in compliance with the provisions of sections 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, 2021, adequate measures for internal control, safekeeping and custody of the Company's assets, or those of third parties in its possession were adequate, and to report on proper compliance by the Company's management with certain regulatory aspects 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 reporting.

Management's responsibility

The Company's management is responsible for establishing and maintaining an adequate internal control system that enables it to safeguard its assets or those of third parties in its possession, and to comply with the bylaws and decisions of the Shareholders' Meeting properly.

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 at providing 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 to be free from material misstatement due to fraud or error, in accordance with the accounting and financial reporting standards

To the Shareholders of Grupo Nutresa S. A.

Statutory auditor's responsibility

My responsibility as statutory auditor is to perform an assurance work to express a concept, based on the procedures executed and the evidence obtained, on whether the acts of the Company's management conform to the bylaws, and orders and instructions of the Shareholders' Meeting, and on whether appropriate internal control measures are established by the Company's management to safeguard its assets or those of third parties in its possession.

I performed my duties in accordance with the information assurance standards 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 the 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, safekeeping and custody of the Company's assets or those of third parties in its possession were adequate at December 31, 2021, and for the year then ended, in all material respects of assessment, and in conformity with the criteria described in the main issue section.

The accounting firm I am member of, and which appointed me as the statutory auditor of the Company, applies the International Standard on Quality Control No. 1 and, as a result, maintains a comprehensive quality control system that includes documented policies and procedures on compliance with the applicable ethical requirements, professional standards and legal and regulatory requirements.

Assurance procedures performed

The above mentioned audit provisions 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, that the Company fails to achieve an adequate level of efficiency and efficacy in its transactions. 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, minutes of the Shareholders' Meeting, in order to verify the proper compliance by the Company's management with those bylaws and the decisions made by the Shareholders' Meeting.

- Inquiries with the management on changes or projects for amendments of the Company's bylaws during the covered period and 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, control monitoring, and control activities.

- Understanding of how the Company has responded to risks arising from the information systems.

- Understanding and assessment of the design of the corresponding control activities and their validation, in order to establish that they were implemented by the Company and are operating 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 differ or change their condition throughout the period under assessment, since my report is based on selective tests performed during the period. Additionally, any 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 become impaired.

Concept

Based on the evidence obtained from the work performed as described above, and subject to the inherent limitations expressed, in my concept, during the year end on December 31, 2021, the actions of the Company's management conformed to the bylaws and to the orders and instructions of the Shareholders' Meeting had adequate measures of internal control, safekeeping and custody of the Company's assets or those of third parties in its possession.

This report is issued for and addressed to the Shareholders of Grupo Nutresa S. A., in compliance with the requirements set forth in sections 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
Statutory Auditor
Professional card No. 86122-T
Appointed by PwC Contadores y Auditores S.A.S.
February 24, 2022

Certification of the Financial Statements

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

CERTIFY:

February 24th, 2022

We have previously verified all claims, herewith contained, in the Financial Statements, at December 31, 2021 and 2020, 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.

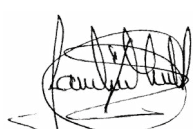
3. The assets represent rights, and liabilities represent obligations, obtained or under the responsibility of the Companies.

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



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

Certification of the Financial Statements Law 964 of 2005

Gentlemen
Shareholders
Grupo Nutresa S.A.
Medellín

The undersigned Legal Representative of Grupo Nutresa S.A.

CERTIFIES:

February 24th, 2022

That the Financial Statements, and the operations of the Parent Company, and its subsidiaries, at December 31, 2021 and 2020, 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.

Carlos Ignacio Gallego Palacio
President

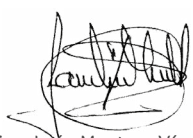
Separate Statement of Financial Position

As of December 31st (values expressed in millions of Colombian Pesos)

ASSETS	Notes	2021	2020
Current assets			
Cash and cash equivalents		$ 352	$ 319
Trade and other receivables	5	13.065	21.166
Other current assets	6	83	169
Total current assets		**$ 13.500**	**$ 21.654**
Non-current assets			
Trade and other receivables	5	75	568
Investments in subsidiaries	7	6.113.986	5.593.927
Investments in associated	8	164.050	148.715
Other financial non-current assets	9	2.947.849	2.653.942
Right-of-use assets		87	13
Other non-current assets	6	27	4
Total non-current assets		**$ 9.226.074**	**$ 8.397.169**
TOTAL ASSETS		**$ 9.239.574**	**$ 8.418.823**
LIABILITIES			
Current liabilities			
Trade and other payables	11	93.803	85.969
Tax charges	10.2	1.284	1.156
Employee benefits liabilities	12	2.838	2.712
Right-of-use liabilities		7	13
Total current liabilities		**$ 97.932**	**$ 89.850**
Non-current liabilities			
Employee benefits liabilities	12	2.220	1.072
Deferred tax liabilities	10.4	7.163	5.102
Right-of-use liabilities		80	-
Total non-current liabilities		**$ 9.463**	**$ 6.174**
TOTAL LIABILITIES		**$ 107.395**	**$ 96.024**
SHAREHOLDER EQUITY			
Share capital issued	13.1	2.301	2.301
Paid-in-capital	13.1	546.832	546.832
Reserves	13.2	4.567.911	4.359.436
Retained earnings	13.2	3	3
Other comprehensive income, accumulated	14	3.330.313	2.830.986
Earnings for the period		$ 684.819	$ 583.241
TOTAL SHAREHOLDER EQUITY		**$ 9.132.179**	**$ 8.322.799**
TOTAL LIABILITIES AND EQUITY		**$ 9.239.574**	**$ 8.418.823**

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

Carlos Ignacio Gallego Palacio
President



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

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

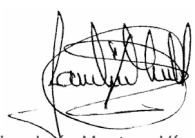
Separate Comprehensive Income Statement

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

	Notes	2021	2020
Operating revenue		**$ 685.949**	**$ 585.968**
Portfolio dividends	9	67.746	69.265
Share of profit for the period of subsidiaries	7	621.339	522.153
Share of profit for the period of associates	8	(3.136)	(5.450)
Gross profit		**$ 685.949**	**$ 585.968**
Administrative expenses	15	(2.645)	(5.696)
Exchange differences on operating assets and liabilities		(1)	(38)
Other operating income, net		1	4.224
Operating profit		**$ 683.304**	**$ 584.458**
Financial income		2.497	1.387
Financial expenses		(1.477)	(1.411)
Exchange differences on non-operating assets and liabilities		7	1
Income before tax		**$ 684.331**	**$ 584.435**
Current income tax	10.3	(841)	(932)
Deferred income tax	10.3	1.329	(262)
Net profit for the period		**$ 684.819**	**$ 583.241**
Earnings per share (*)			
Basic, attributable to controlling interest (in Colombian pesos) (*) Calculated on 459.324.855 shares (2020 - 460.123.458 shares)	16	1.492,15	1.267,58
OTHER COMPREHENSIVE INCOME			
Items that are not subsequently reclassified to profit and loss:			
Actuarial losses on defined benefit plans	12.1	$ 2.319	$ (866)
Equity instruments, measured at fair value	9	263.421	(843.345)
Income tax from items that will not be reclassified	10.4	(209)	259
Total items that are not subsequently reclassified to profit and loss		**$ 265.531**	**$ (843.952)**
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of subsidiaries	7	229.573	138.291
Share of other comprehensive income of associates	8	6.543	1.214
Income tax from items that will be reclassified	10.4	(2.320)	(364)
Total items that are or may be subsequently reclassified to profit and loss:		**$ 233.796**	**$ 139.141**
Other comprehensive income, net taxes		**$ 499.327**	**$ (704.811)**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ 1.184.146**	**$ (121.570)**

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

Carlos Ignacio Gallego Palacio
President



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

Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

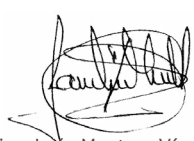
Separate Exchange in Equity Statement

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

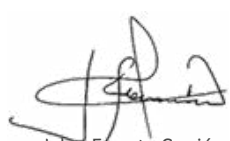
	Share capital issued	Paid-in-capital	Reserves	Retained earnings	Earnings for the period	Other comprehensive income, accumulated	**Total**
Equity at December 31st of 2020	**2.301**	**546.832**	**4.359.436**	**3**	**583.241**	**2.830.986**	**8.322.799**
Profit for the period	-	-	-	-	684.819	-	684.819
Other comprehensive income for the period	-	-	-	-		499.327	499.327
Comprehensive income for the period	**-**	**-**	**-**	**-**	**684.819**	**499.327**	**1.184.146**
Transfer to accumulated results	-	-	-	583.241	583.241	-	-
Cash dividends (Note 13.3)	-	-	(323.007)	-	-	-	(323.007)
Appropriation of reserves	-	-	583.241	(583.241)	-	-	-
Shares buyback (Note 13.2)	-	-	(52.036)	-	-	-	(52.036)
Dividends from shares buyback (Note 13.2)	-	-	1.138	-	-	-	1.138
Deferred tax recognition (Note 10.4)	-	-	(861)	-	-	-	(861)
Equity at December 31st of 2021	**2.301**	**546.832**	**4.567.911**	**3**	**684.819**	**3.330.313**	**9.132.179**
Equity at December 31st of 2019	**2.301**	**546.832**	**4.144.250**	**3**	**513.898**	**3.535.797**	**8.743.081**
Profit for the period	-	-	-	-	583.241	-	583.241
Other comprehensive income for the period	-	-	-	-	-	(704.811)	(704.811)
Comprehensive income for the period	**-**	**-**	**-**	**-**	**583.241**	**(704.811)**	**(121.570)**
Transfer to accumulated results	-	-	-	513.898	(513.898)	-	-
Cash dividends (Note 13.3)	-	-	(298.712)	-	-	-	(298.712)
Appropriation of reserves	-	-	513.898	(513.898)	-	-	-
Equity at December 31st of 2020	**2.301**	**546.832**	**4.359.436**	**3**	**583.241**	**2.830.986**	**8.322.799**

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

Carlos Ignacio Gallego Palacio
President



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



Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

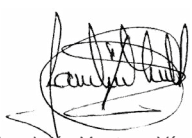
Separate Cash-flow Statement

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

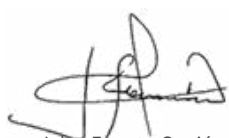
	Notes	2021	2020
Cash flow from operating activities			
Dividends received	7-9	$ 537.829	$ 307.145
Dividends paid	13.3	(315.044)	(293.536)
Collection from sales of goods and services		1	4.059
Payments to suppliers for goods and services		(1.784)	(3.294)
Payments to and on behalf of employees		(6.383)	(8.795)
Income taxes and tax on wealth, (paid)		362	(757)
Other cash inflows		8.503	6.303
Net cash flow from operating activities		$ 223.484	$ 11.125
Cash flow from investment activities			
Purchases of equity of associates and joint ventures	8	(11.928)	(2.293)
Payments to third parties, to obtain control of subsidiaries	7	(128.924)	(8.462)
Purchase/sell of other equity instruments	9	(30.485)	-
Other cash inflows		9	4
Net cash flow used in investment activities		$ (171.328)	$ (10.751)
Cash flow from financing activities			
Paid leases		(38)	(98)
Interest paid		-	(6)
Shares buyback	13.2	(52.036)	-
Other cash outflows		(56)	(6)
Net cash flow used in financing activities		$ (52.130)	$ (110)
Increase in cash and cash equivalent from activities		$ 26	$ 264
Net foreign exchange differences		7	1
Net increase in cash and cash equivalents		$ 33	$ 265
Cash and cash equivalents at the beginning of the period		319	54
Cash and cash equivalents at the end of the period		$ 352	$ 319

The Notes are an integral part of the Consolidated Separate Interim Financial Statements

Carlos Ignacio Gallego Palacio
President



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



Juber Ernesto Carrión
External Auditor – Professional Card No. 86122-T
Designed by PwC Contadores y Auditores S.A.S.

Notes for the Separate Financial Statements

For the period between January 1st and December 31st 2021 and 2020

(Values are expressed as millions of Colombian Pesos, except for the values in foreign currency, exchange rates, and number of shares).

NOTE 1. CORPORATE INFORMATION

1.1. ENTITY AND CORPORATE PURPOSE

Grupo Nutresa S.A., (hereinafter referred to as: Grupo Nutresa, the Company, or Nutresa, indistinctly), is a corporation of Colombian nationality, incorporated on April 12, 1920, with its headquarters in the City of Medellin, Colombia; its terms expire on April 12, 2050. The Corporate Business Purpose consists of the investment or application of available resources, in organized enterprises, under any of the forms permitted by law, whether domestic or foreign, and aimed at the use of any legal economic activity, either tangible or intangible assets, with the purpose of safeguarding its capital.

The Company is the Parent of Grupo Nutresa, constitutes an integrated and diversified food industry group that operates mainly in Colombia and Latin America.

NOTE 2. BASIS OF PREPARATION

The Separate Financial Statements of Grupo Nutresa, for the period from January 1st to December 31st, 2021, have been prepared in accordance with the Accounting and Financial Information Standards, accepted in Colombia, based on the International Financial Reporting Standards (IFRS), together with its interpretations, conceptual framework, the foundation for conclusions, and the application guidelines authorized and issued, by the International Accounting Standards Board (IASB) and other legal provisions, defined by the Financial Superintendence of Colombia and including the exception to IAS 12 on Income Tax, defined by the Ministry of Commerce, Industry and Tourism of Colombia in Decree 1311 of 2021, to recognize the effects on deferred taxes of the change in the income tax rate of Law 2155, 2021 against accumulated earnings in equity.

2.1. BASIS OF MEASUREMENT

The Separate Financial Statements have been prepared on a historical cost basis, except for the measurements at fair value of certain financial instruments, as described in the accounting policies, herewith. The book value of recognized assets and liabilities, that have been designated as hedged items, in fair value hedges, and which would otherwise be accounted for at amortized cost and are adjusted to record changes in the fair values, attributable to those risks that are covered under "Effective hedges".

2.2. FUNCTIONAL AND PRESENTATION CURRENCY

The Separate Financial Statements are presented in Colombian Pesos, which is both the functional and presentation currency of Grupo Nutresa. These figures are expressed in millions of Colombian Pesos, except for basic earnings per share and the representative market exchange rates, which are expressed in Colombian Pesos, as well as, other currencies (E.g. USD, Euros, Pounds Sterling, et al.), and which are expressed as monetary units.

2.3. CLASSIFICATION OF ITEMS IN CURRENT AND NON-CURRENT

Grupo Nutresa presents assets and liabilities, in the Statement of Financial Position, classified as current and non-current. An asset is classified as current, when the entity: expects to realize the asset, or intends to sell or consume it, within its normal operating cycle, holds the asset primarily, for negotiating purposes, expects to realize the asset within twelve months, after the reporting period is reported, or the asset is cash or cash equivalent, unless the asset is restricted for a period of twelve months, after the close of the reporting period. All other assets are classified as non-current. A liability is classified as current when the entity expects to settle the liability, within its normal operating cycle, or holds the liability primarily for negotiating purposes.

NOTE 3. SIGNIFICANT ACCOUNTING POLICIES

Grupo Nutresa applies the following significant accounting policies in preparing its Financial Statements:

3.1. INVESTMENTS IN SUBSIDIARIES

A subsidiary is an entity controlled by one of the companies that make up Grupo Nutresa Control exists when any of the Group companies has the power to direct the relevant activities of the subsidiary, which are generally: the operating activities and the financing to obtain benefits from its activities, and is exposed,

or has rights, to those variable yields.

Investments in subsidiaries are measured in the Separate Condensed Financial Statements of Grupo Nutresa, using the equity method, according to the established regulations in Colombia, under which the investment is initially recorded at cost, and is adjusted with the changes in participation of Grupo Nutresa, over the net assets of the subsidiary, after the date of acquisition, minus any impairment loss of the investment. The losses of the subsidiary, that exceed Grupo Nutresa's participation in the investment, are recognized as provisions, only when it is probable that there will be an outflow of economic benefits and there is a legal or implicit obligation.

3.2. INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

An associate is an entity over which Grupo Nutresa has significant influence over financial and operating policies, without having control or joint control.

A joint venture is an entity that Grupo Nutresa controls jointly with other participants, where, together, they maintain a contractual agreement that establishes joint control over the relevant activities of the entity.

At the date of acquisition, the excess acquisition cost, over the net fair value of the identifiable assets, liabilities, and contingent liabilities, assumed by the associate or joint venture, is recognized as goodwill. Goodwill is included in the book value of the investment and is not amortized, nor is it individually tested for impairment.

Investments in associates or joint ventures are measured in the Separate Financial Statements, using the equity method, under which the investment is initially recorded at cost, and is adjusted with changes of the participation of Grupo Nutresa, over the net assets of the associate or joint venture after the date of acquisition minus any impairment loss on the investment. The losses of the associate or joint venture, that exceed Grupo Nutresa's shares in the investment, are recognized as a provision, only when it is probable that there will be an outflow of economic benefit and there is a legal or implicit obligation.

When the equity method is applicable, adjustments are made to homologize the accounting policies of the associate or joint venture with those of Grupo Nutresa The portion that corresponding to Grupo Nutresa of profit and loss, obtained from the measurement of at fair value, at the date of acquisition, is incorporated into the Financial Statements, and gains and losses from transactions between Grupo Nutresa and the associate or joint venture, to the extent of Grupo Nutresa´s participation in the associate or joint venture. The equity method is applied from the date of the acquisition, to the date that significant influence or joint control over the entity is lost.

The portion of profit and loss, of an associate or joint venture, is presented in the Statement of Comprehensive Income, for the period, net of taxes and non-controlling interest in the subsidiaries of the associate or joint venture. The portion of changes, recognized directly in equity and other comprehensive income of the associate or joint venture, is presented in the Statement of Changes in Equity and other comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized by reducing the book value of the investment.

Grupo Nutresa periodically analyzes the existence of impairment indicators and, if necessary, recognizes impairment losses of the associate or joint venture investment. Impairment losses are recognized in profit and loss and are calculated as the difference between the recoverable amount of the associate or joint venture, (which is the higher of the two values, between the value in use and its fair value minus cost to sell), and the book value.

When the significant influence over an associate or joint control is lost, Grupo Nutresa measures and recognizes any retained residual investment, at fair value. The difference between the book amount of the associate or joint venture, (taking into account the relevant items of other comprehensive income) and the fair value of the retained residual investment at its value from sale is recognized in profit and loss, for the period.

3.3. FOREIGN CURRENCY

Transactions made in a currency other than the functional currency of the Company are translated, using the exchange rate at the date of the transaction. Subsequently, monetary assets and liabilities denominated in foreign currencies are translated, using the exchange rates at the closing of the Financial Statements and taken from the information published by the official body responsible for certifying this information. Non-monetary items, that are measured at fair value, are translated, using the exchange rates on the date when its fair value is determined, and non-monetary items that are measured at historical cost, are translated using the exchange rates determined on the date of the original transaction.

All exchange differences, arising from operating assets and liabilities, are recognized on the Income Statement, as part of income and operating expenses. Exchange differences in other assets and liabilities are recognized as income or expense, except for, monetary items that provide an effective hedge, for a net investment in a foreign operation, and from investments in shares classified as fair value through equity. These items and their tax impact are recognized in "Other comprehensive income", until disposal of the net investment, at which time are recognized in profit and loss.

3.4. CASH AND CASH EQUIVALENTS

Cash and cash equivalents, in the Statement of Financial Position and Statement of Cash Flows, include cash on hand and banks, highly liquid investments readily convertible to a

known amount of cash, and subject to an insignificant risk of changes in its value, with a maturity of three months or less from the date of purchase. These items are initially recognized at historical cost and are restated to recognize its fair value at the date of each accounting year.

3.5. FINANCIAL INSTRUMENTS

A financial instrument is any contract that gives rise to a financial asset of one entity and, simultaneously, to a financial liability or equity instrument of another entity. Financial assets and liabilities are initially recognized at fair value, plus (minus) the transaction costs directly attributable, except for those who are subsequently measured at fair value.

At initial recognition, Grupo Nutresa classifies its financial assets for subsequent measurement, at amortized cost or fair value, depending on Grupo Nutresa's business model for the administration of financial assets, and the characteristics of the contractual cash flows of the instrument; or as derivatives designated as hedging instruments, in an effective hedge, accordingly.

(i) Financial assets measured at amortized cost

A financial asset is subsequently measured at amortized cost, using the effective interest rate, if the asset is held within a business model whose objective is to keep the contractual cash flows, and the contractual terms of the same grants, on specific dates, cash flows that are solely for payments of principal and interest, on the value of outstanding capital. The carrying amount of these assets is adjusted by any estimate of expected and recognized credit loss. Income from interest of these financial assets is included in "interest and similar income", using the effective interest rate method.

Grupo Nutresa has determined that the business model for accounts receivable is to receive the contractual cash flows, which is why they are included in this category, the Group evaluates whether the cash flows of the financial instruments represent only capital and interest payments. In making this assessment, the Group considers whether the contractual cash flows are consistent with a basic loan agreement. That is, the interest includes only the consideration for the value of money over time, credit risk, other basic credit risks, and a profit margin consistent with a basic loan agreement. When the contractual terms introduce a risk, or volatility exposure, and are inconsistent with a basic loan agreement, the related financial asset is classified and measured at fair value, through profit or loss.

(ii) Financial assets measured at fair value with changes in other comprehensive income

The financial assets, held for the collection of contractual cash flows and for sales of the assets, where the cash flows of the assets represent only payments of principal and interest, and which are not designated at fair value, through profit or loss, are measured at fair value with changes in other comprehensive income.

For investments in equity instruments, that are not held for trading purposes, Grupo Nutresa chooses to irrevocably present gains or losses, from fair value measurement, in other comprehensive income. In the disposal of investments, at fair value, through other comprehensive income, the accumulated value of gains or losses is transferred directly to retained earnings and is not reclassified to profit or loss. Dividends received in cash, from these investments, are recognized in profit or loss for the period.

The fair values of share price investments are based on the valid quoted prices. If the market for a financial instrument is not active (or the instrument is not quoted on a stock exchange), the Group establishes its fair value using valuation techniques. These techniques include the use of the values observed in recent transactions, realized under the terms of free competition, the reference to other instruments that are substantially similar, analyses of discounted cash flows, and option models, making maximum use of market information, and giving the lesser degree of confidence possible, in internal information specific to the entity.

(iii) Financial assets measured at fair value

The financial assets, different from those measured at amortized cost or at fair value, with changes in other comprehensive income, are subsequently measured at fair value, with changes recognized in profit and loss. A loss or gain on a debt instrument, that is subsequently measured at fair value, through profit or loss and is not part of a hedging relationship, is recognized in the Income Statement, for the period in which it arises, unless it arises from instruments of debt that were designated at fair value, or that are not held for trading.

(iv) Impairment of financial assets at amortized cost

The Group evaluates, in a prospective manner, the expected credit losses associated with the debt instruments, recorded at amortized cost and at fair value, through changes in other comprehensive income, as well as with the exposure derived from loan commitments and financial guarantee contracts. The Group recognizes a provision for losses, at each presentation date. The measurement of the expected credit losses reflects:

- An unbiased and weighted probability quantity, that is determined by evaluating a range of possible outcomes;
- The value of money in time; and
- Reasonable and supported information, available without incurring undue costs or efforts, on the filing date, with regard to past events, current conditions, and future economic condition forecasts.

(v) Derecognition

A financial asset, or a part of it, is derecognized, from the Statement of Financial Position, when it is sold, transferred, expires, or Grupo Nutresa loses control over the contractual rights or the cash flows of the instrument. A financial liability, or a portion of it, is derecognized from the Statement of Financial Position, when the contractual obligation has been settled, or has expired. When an existing financial liability is replaced by another, from the same counterparty, on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability, and the recognition of a new liability, and the difference, in the respective book value, is recognized in the Comprehensive Income Statement.

(vi) Modification

In some circumstances, the renegotiation, or modification of the contractual cash flows, of a financial asset, may lead to the derecognition of an existing financial asset. When the modification of a financial asset results in the derecognition of an existing financial asset, and the subsequent recognition of a modified financial asset, it is considered a new financial asset. Accordingly, the date of the modification will be treated as the date of initial recognition, of that financial asset.

(vii) Financial liabilities

Financial liabilities are subsequently measured at amortized cost, using the effective interest rate. Financial liabilities include balances with suppliers and accounts payable, financial obligations, and other derivative financial liabilities. This category also includes those derivative financial instruments, taken by the Group, that are not designated as hedging instruments, in effective hedging.

Financial obligations are classified as such, for obligations that are obtained by resources, be it from credit institutions or other financial institutions, in the country or abroad.

Financial liabilities are written-off in accounts when they are canceled, that is, when the obligation specified in the contract is met, canceled, or expires.

(viii) Off-setting financial instruments

Financial assets and financial liabilities are offset, so that the net value is reported on the Statement of Financial Position of the Separate, only if (i) there is, at present, a legally enforceable right to offset the amounts recognized, and (ii) there is an intention to settle on a net basis, or to realize the assets and settle the liabilities, simultaneously.

3.6.TAXES

This heading includes the value of mandatory general-nature taxation in favor of the State, by way of private closeouts, that are based on the taxes of the fiscal year, and responsibility of each company, according to the tax norms of national and territorial governing entities, in the countries where Grupo Nutresa operate.

a. Income tax

(i) Current

Current assets and liabilities, generated from the income tax, for the period, are measured by the values expected to be recovered or paid to the taxation authorities. Expenses for income tax is recognized under current tax, in accordance with the tax clearance, between taxable incomes and accounting profit and loss, impacted by the rate of income tax in the current year, in accordance with the effective tax rules in each country. Taxes rates and tax norms or laws used to compute these values are those that are approved at the end of the reporting period, over which it is reported. Current assets and liabilities, from income tax are compensated for, if related to the same Fiscal Authority, and whose intention is to settle for a net value or realize the asset, and settle the liability, simultaneously.

(ii) Deferred

Deferred income tax is recognized, using the liability method and is calculated on temporary differences between the taxable bases of assets and liabilities in and book value. Deferred tax liabilities are generally recognized for all temporary tax differences imposed, and all of the deferred tax assets are recognized, for all temporary deductible differences, future compensation of tax credits, and unused tax losses, to the extent that it is likely there will be availability of future tax profit, against which, they can be attributed. Deferred taxes are not subject to financial discount.

Deferred asset and liability taxes are not recognized, if a temporary difference arises from the initial recognition of an asset or liability, in a transaction that is not a business combination, and at the time of the transaction, it impacted neither the accounting profit nor taxable profit and loss; and in the case of deferred tax liability, arising from the initial recognition of goodwill.

The deferred tax liabilities, related to investments in associates, and interests in joint ventures, are not recognized when the timing of the reversal of temporary differences can be controlled, and it is probable that said differences will not reverse in the near future, and the deferred tax assets related to investments in associates, and interests in joint ventures are recognized only to the extent that it is probable that the temporary differences will reverse in the near future, and it is likely the availability of future tax profit, against which these deductible differences, will be charged. Deferred tax liabilities, related to goodwill, are recognized only to the extent that it is probable that the temporary differences will be reversed in the future.

The book value of deferred tax assets is reviewed at each reporting date and is reduced to the extent that it is no longer probable that sufficient taxable profit will be available for use, in part or in totality, or a part of the asset, from said tax. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized, to the extent that it is probable that future taxable profit income is likely to allow for their recovery.

Assets and liabilities from deferred taxes are measured at the tax rates, that are expected to be applicable, in the period when the asset is realized, or the liability is settled, based on income tax rates and norms, that were approved at the date of filing, or whose approval will be nearing completion, by that date.

The deferred tax is recognized in profit and loss, except that one related to items recognized outside profit and loss and calculated under Decree 1311 of the Ministry of Commerce, Industry and Tourism of Colombia, in these cases it will be presented directly in reserves and retained earnings in equity.

3.7. EMPLOYEE BENEFITS

a. Short-term benefits

They are, (other than termination benefits), benefits expected to be settled in its totality, before the end of the following twelve months (12), at the end of the annual period, of which the services rendered, by employees, is reported. Short-term benefits are recognized to the extent that the employee renders the service, to the expected value to be paid.

b. Other long-term benefits

Long-term employee benefits, (that differ from post-employment benefits and termination benefits), that do not expire within twelve (12) months, after the end of the annual period in which the employee renders services, are remunerated, such as long-term benefits, the variable compensation system, and retroactive severance interest. The cost of long-term benefits is distributed over the time measured between the employee starting date, and the expected date of when the benefit is received. These benefits are projected to the payment date and are discounted with the projected unit credit method.

c. Pensions and other post-employment benefits

(i) Defined benefit plans

Defined benefit plans are plans for post-employment benefits, in which Grupo Nutresa has a legal or implicit obligation, of the payment of benefits..

The cost of this benefit is determined by the projected unit credit method. The liability is measured annually, by the present value of expected future payments required to settle the obligations, arising from services rendered by employees, in the current period and prior periods.

Updates of the liability for actuarial gains and losses are recognized in the Statement of Financial Position, against retained earnings through "Other comprehensive income". These items will not be reclassified to profit and loss, in subsequent periods. The cost of past and present services, and net interest on the liability, is recognized in profit and loss, distributed among cost of sales and administrative expenses, sales and distribution, likewise as are gains and losses by reductions in benefits and non-routine settlements.

Interest on the liability is calculated by applying the discount rate, on said liability.

3.8. PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

a. Provisions

Provisions are recognized when, as a result of a past event, the Company has a present legal or implicit obligation to a settlement, and requires an outflow of resources, are considered probable, and can be estimated with certainty.

In cases where Grupo Nutresa expects the provision to be reimbursed in whole, or in part, the reimbursement is recognized as a separate asset, only in cases where such reimbursement is virtually certain.

Provisions are measured at best estimate of the disbursement of the expenditure required to settle the present obligation. The expense relating to any provision is presented in the Statement of Comprehensive Income, net of all reimbursement. The increase in the provision, due to the passage of time, is recognized as interest expense.

b. Contingent liabilities

Possible obligations, arising from past events, and whose existence will be confirmed only by the occurrence or non-occurrence of one more uncertain future events, not wholly within the control of Grupo Nutresa, or present obligations arising from past events, are not likely, but are possible that an outflow of resources including economic benefits is required to settle the obligation, or the amount of the obligation cannot be measured with sufficient reliability, are not recognized in the Statement of Financial Position and are, instead, revealed as contingent liabilities.

c. Contingent assets

Possible assets, arising out of past events and whose existence will be confirmed only by the occurrence, or possibly by the non-occurrence of one or more uncertain future events, which are not entirely under the control Grupo Nutresa, are not recognized in the Statement of Financial Position, and are however, disclosed as contingent assets when it is a probable occurrence. When the said contingent is certain, the asset and

the associated income, are recognized for that period.

3.9. RIGHT-OF-USE ASSETS AND LIABILITIES

A lease is an agreement whereby a lessor assigns to a lessee, in return for a payment or series of payments, the right to use an asset for a specified period of time.

The Group is the lessor and lessee of various properties, equipment and vehicles. Leases are generally for fixed periods of 1 to 5 years, but may have options to extend. The lease terms are negotiated individually and contain a wide range of different terms and conditions.

The extension and termination options included in the Group's leases are used to maximize operational flexibility in terms of contract management. Most extension and termination options held are exercisable simultaneously by the Group and the respective counterparty.

Tenant accounting

Leases are recognized as a right of use asset and a corresponding liability on the date on which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and the finance cost. The finance cost is charged to the income statement over the lease period to produce a constant periodic interest rate on the remaining balance of the liability for each period. The right-to-use asset is depreciated over the shorter of the asset's useful life and the straight-line lease term.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- Variable lease payment based on an index or rate,
- The exercise price of a call option if the lessee is reasonably sure of exercising that option, and
- Penalty payments for terminating the lease, if the condition of the lease reflects that the tenant exercised that option.

Lease payments are discounted using a discount rate, which is calculated using the interest rate of each country, taking into account the duration of the contract and the type of asset.

Rights-of-use assets are measured at cost and comprise the following:

- The amount of the initial measurement of the lease liability,
- Any lease payment made on or before the start date,
- Any direct initial costs, and

Payments associated with short-term leases and low-value asset leases are recognized on a straight-line basis as an expense in the statement of income. Short-term leases have a term of 12 months or less. Low value assets include computer equipment and small office furniture items.

The average periods of amortization for right-of-use assets, transportation equipment are between 5 and 10 years.

3.10. REVENUE

a. Dividend income

This is recognized when Grupo Nutresa's right to receive payment is established, which is generally when the Shareholders approve the dividend, except when the dividend represents a recovery of investment costs. Dividend income is not recognized, when payment is made to all Shareholders, in the same proportion in shares of the issuer.

b. The Equity Method

Under this method, the investment is initially recorded at cost, and is adjusted for changes in Grupo Nutresa's shares of the net assets in subsidiaries and associates, after the acquisition date, and minus any impairment loss on the investment.

c. Interest

For all financial instruments measured at amortized cost, interest income, or expense, is recognized with the effective interest rate. The effective interest rate is the rate that exactly discounts estimated future cash payments, or those received through the expected life of the financial instrument, or in a shorter period, in the net book value of the financial asset or financial liability.

3.11. FAIR VALUE

Fair value is the price that would be received to sell an asset or paid to transfer a liability, in an orderly transaction, between market participants, at the measurement date. The fair value of all financial assets and liabilities is determined at the date of presentation of the Financial Statements, for recognition or disclosure in the Notes to the Financial Statements.

Grupo Nutresa uses valuation techniques which are appropriate, under circumstances for which sufficient information is available to measure the fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

Fair value is determined:

- Based on quoted prices in active markets for identical assets or liabilities that the Company can access at the measurement date (Level 1).
- Based on valuation techniques commonly used by market participants using variables other than the quoted prices that are observable for the asset or liability, either directly or indirectly (Level 2).
- Based on internal discount cash flow techniques or other valuation models, using estimated variables by Grupo Nutresa for the unobservable asset or liability, in the absence of variables observed in the market (Level 3).

Judgments include data such as liquidity risk, credit risk, and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

3.12. EARNINGS PER SHARE

Basic earnings per share are calculated by dividing profit and loss attributable to ordinary equity holders, by the weighted average number of ordinary shares outstanding during the period.

The average number of shares outstanding, for the periods ended December 31st, 2021 is 458.948.033, and December 31st, 2020, was 460.123.458.

Diluted earnings per share are calculated by adjusting, profit and loss attributable to ordinary equity holders, and the weighted average number of shares of dilutive potential ordinary shares.

3.13. RELATIVE IMPORTANCE OR MATERIALITY

Information is material if its omission, inaccuracies or hiding can reasonably influence the economic decisions taken by primary users of general purpose financial statements, based on these, which provide financial information about a specific reporting entity. Materiality or relative importance depends on nature or magnitude of the information. The entity assesses whether the information individually or collectively is material or has relative importance in the context of its financial statements taken as a whole.

3.14. CHANGES IN ACCOUNTING POLICIES

3.14.1 NEW REGULATIONS INCORPORATED INTO THE ACCOUNTING FRAMEWORK ACCEPTED IN COLOMBIA WHOSE APPLICATION IS MANDATORY AS OF JANUARY 1, 2023

Decree 938 of 2021 updated the technical frameworks of the Accounting and Financial Reporting Standards accepted in Colombia, mainly incorporating amendments to the standards that had already been compiled by Decrees 2270 of 2019 and 1438 of 2020, which complied with the regulations incorporated by Decrees 2420 and 2496 of 2015, 2131 of 2016, 2170 of 2017 and 2483 of 2019.

3.14.1.1 AMENDMENT TO IAS 1 - PRESENTATION OF FINANCIAL STATEMENTS - CLASSIFICATION OF LIABILITIES AS CURRENT OR NON-CURRENT

The amendments issued in January 2020 clarify the criteria for classifying liabilities as current or non-current, based on the rights that exist at the end of the reporting period. The classification is not affected by the expectations of the entity or the events after the date of the report. The changes also clarify what the "settlement" of a liability refers to in terms of the standard. The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.1.2 AMENDMENT TO IAS 16 - PROPERTY, PLANT AND EQUIPMENT – PROCEEDS BEFORE INTENDED USE

The amendment published in May 2020 prohibits the deduction of the cost of an item of property, plant and equipment from any amount arising from the sale of items produced while taking that asset to the place and conditions necessary for it to operate in the manner provided by the management. Instead, an entity would recognize the amounts of those sales in comprehensive income statement. The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.1.3 AMENDMENTS TO IFRS 3 BUSINESS COMBINATION

The amendment issued in May 2020 approach 3 modifications to the standard in order to: update the references to the Conceptual Framework; add an exception for the recognition of liabilities and contingent liabilities within the scope of IAS 37 Provisions, Contingent Liabilities and Contingent Assets and IFRIC 21 - Levies; and confirm that contingent assets should not be recognized on the acquisition date. The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.1.4 AMENDMENT TO IAS 37- PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS - COST OF FULFILLING A CONTRACT

The purpose of this amendment, which was also published in May 2020, is to specify the costs that an entity includes when determining the "Compliance cost" of a contract for the purpose of assessing whether that contract is onerous; clarifies that the direct costs of fulfilling a contract include both the incremental costs of fulfilling a contract and an allocation of other costs that are directly related to the fulfillment of the contract. Before recognizing a separate provision, for an onerous contract, the entity must recognize impairment losses on the assets used to fulfill the contract. The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.1.5 INTEREST RATE BENCHMARK REFORM

After the financial crisis, the reform and replacement of benchmark interest rates, such as GBP LIBOR and other interbank rates (IBOR) has become a priority for global regulators. There is currently uncertainty about the precise moment and nature of these changes. In order to do the transition from existing contracts and agreements that reference LIBOR, it is possible to be necessary to apply adjustments for term differences and credit differences to allow the two benchmark rates to be economically equivalent in transition.

The amendments made to IFRS 9 - Financial instruments, IAS 39 - Financial instruments: recognition and measurement and IFRS 7 - Financial instruments: disclosures provide certain alternatives in relation to the reform of the benchmark interest rate. The alternatives are related to hedge accounting and have the effect that the reforms generally should not bring hedge accounting to an end. However, any hedging ineffec-

tiveness must continue to be recorded in the comprehensive income statement. Given the widespread nature of hedges involving interbank rate-based contracts (IBOR), the alternatives will affect companies in all industries.

The accounting policies related to hedge accounting should be updated to reflect the alternatives. Fair value disclosures may also be affected due to transfers between levels of the fair value hierarchy as markets become more or less liquid. The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.1.6 ANNUAL IMPROVEMENTS TO IFRSS 2019-2021 CYCLE

The following improvements were finished in May 2021:

- IFRS 9 - Financial instruments: clarifies which commissions should be included in the 10% test for derecognition of financial liabilities.
- IFRS 16 - Leases: modifies illustrative example 13 of the standard to eliminate the illustration of lessor payments related to improvements to leased assets, to eliminate any confusion about the treatment of lease incentives.
- IFRS 1 – First time adoption of International Financial Reporting Standards: allows entities that have measured their assets and liabilities at the book value recorded in their parent's accounting, also measure accumulated translation exchange differences using the amounts reported by the parent. This amendment will also apply to associates and joint ventures with some conditions.
- IAS 41 - Agriculture: eliminates the requirement for entities to exclude tax cash flows when measuring fair value under IAS 41.

The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

3.14.1.7 CONCEPTUAL FRAMEWORK

The IASB has issued a revised Conceptual Framework that will be used in decisions to set standards with immediate effect. The key changes include:

- Increase the importance of management in the objective of financial information;
- Restore prudence as a component of neutrality;
- Define a reporting entity, which can be a legal entity or a part of an entity;
- Review the definitions of an asset and a liability;
- Eliminate the probability threshold for recognition and add guidelines on derecognition;
- Add guides on different measurement bases, and
- Indicate that profit or loss is the main performance indicator and that normally, income and expenses in other comprehensive income should be recycled when this improves the relevance or accurate representation of the financial statements.

No changes will be made to any of the current accounting standards. However, entities that are based on the Framework to determine their accounting policies for transactions, events, or conditions that are not otherwise addressed in the accounting standards must apply the revised Framework effective January 1, 2021. These entities must consider whether its accounting policies are still appropriate under the revised Framework.

3.14.2 NEW REGULATIONS ISSUED BY THE INTERNATIONAL ACCOUNTING STANDARDS BOARD (IASB) THAT HAVE NOT YET BEEN INCORPORATED INTO THE ACCOUNTING FRAMEWORK ACCEPTED IN COLOMBIA

3.14.2.1 IFRS 17 INSURANCE CONTRACTS

IFRS 17 Insurance Contracts establishes principles for the recognition, measurement, presentation and disclosure of insurance contracts. It also requires similar principles to apply to reinsurance contracts held and investment contracts with discretionary participation components. The objective is to ensure that entities provide relevant information in a way that faithfully represents those contracts to assess the effect that contracts have on an entity's financial position, financial performance and cash flows, within the scope of IFRS 17.

IFRS 17 was initially applicable to annual periods beginning on January 1, 2021, however, the application date was extended for annual periods beginning on January 1, 2023, through an amendment issued by the IASB in June 2021. Early application is allowed.

IFRS 17 repeals IFRS 4 - Insurance Contracts which was an interim standard that allowed entities to use a wide variety of accounting practices for insurance contracts, reflecting national accounting requirements and variations from those requirements. Some previous insurance accounting practices permitted under IFRS 4 did not adequately reflect the true underlying financial situations or financial performance of insurance contracts.

IFRS 17 requires a current measurement model where estimates are measured again in each reporting period. Contracts are measured using the components of:

- Discounted probability weighted cash flows;
- An explicit risk adjustment, and
- A contractual service margin (CSM) that represents the unearned profit from the contract which is recognized as income during the coverage period.

The standard allows choosing between recognizing changes in discount rates in the comprehensive income statement or directly in other comprehensive income. The choice is likely to reflect how insurers record their financial assets under IFRS 9.

An optional simplified premium allocation approach is allowed for the remaining coverage liability for short-term con-

tracts, which are often offered by insurers that do not provide life insurance.

There is a modification to the general measurement model called "variable commission method" for certain life insurance contracts in which the insured share the returns of the underlying elements. When applying the variable commission method, the entity's participation in the changes in the fair value of the underlying items is included in the contractual service margin. Therefore, the results of insurers using this model are likely to be less volatile than in the general model.

The new rules will affect the financial statements and key performance indicators of all entities that issue insurance contracts or investment contracts with discretionary participation features.

The Company does not expect significant impacts from this modification, in any case it is evaluating the impact that they could have on the financial statements.

NOTE 4. JUDGMENTS, ESTIMATES AND SIGNIFICANT ACCOUNTING ASSUMPTIONS

The preparation of Grupo Nutresa's Financial Statements requires that management must make judgments, accounting estimates, and assumptions that impact the amount of revenue and expenses, assets and liabilities, and related disclosures, as well as, the disclosure of contingent liabilities, at the close of the reporting period. In this regard, the uncertainty of assumptions and estimates could impact future results that could require significant adjustments to the carrying amounts recorded in books of the assets or liabilities impacted.

In applying Grupo Nutresa's accounting policies, Management has made the following judgments and estimates, which have significant impact on the amounts recognized in these Separate Financial Statements:

- Assessment of the existence of impairment indicators for assets
- Assumptions used in the actuarial calculation of post-employment and long-term obligations with employees
- Assumptions used to calculate the fair value of financial instruments
- Recoverability of deferred tax assets
- Determination of control, significant influence, or joint control of an investment
- Determination of the existence of financial or operating leases, based on the transfer of risks and benefits of the leased assets
- Determination of lease terms.

Judgments and estimates made by the Administration of Nutresa Group, in the preparation of the Separated Financial Statements, at September 30th, 2021, do not differ significantly from those realized at the year-end close, of the previous period, that is, December 31st, 2020.

In the process of applying IFRS 16, the Group considered the following relevant judgements:

The Companies' leasing activities and how they are accounted: The Company leases vehicles. Leases are normally for periods of between 1 and 5 years. The lease conditions are negotiated individually and contain a wide range of different terms and conditions. The leases do not impose any covenants, but the leased assets cannot be used as collateral for loan purposes.

Lease extension and termination options: Extension and termination options are included in the Group's lease contracts. These conditions are used to maximize operational flexibility in terms of contract management. Most extension and termination options held are exercised by the Group and the lessor.

Lease terms: In determining the term of the lease, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option. The assessment is reviewed if a significant event or significant change in circumstances occurs that affects this assessment.

Discount rate: The Group determined the discount rate based on the rate of its incremental indebtedness. The determination process considered the duration of the leases, the nature and quality of the collateral and the economic environments in which the Group operates. This rate is reviewed annually and adjusted when there are significant changes.

NOTE 5. TRADE AND OTHER ACCOUNTS RECEIVABLES

The balance of trade receivables and other accounts receivable comprised the following items:

	2021	2020
Accounts receivable from employees	52	15
Dividends receivable from third parties (Note 9)	9.206	16.396
Related dividends receivable (Note 7)	-	3.114
Other accounts receivable, related parties (Note 17)	3.834	2.156
Other accounts receivable from third parties	48	53
Total debtors and accounts receivable	**13.140**	**21.734**
Current portion	**13.065**	**21.166**
Non-current portion	**75**	**568**

Table 1

NOTE 6.
OTHER ASSETS

Other assets are comprised of the following:

	2021	2020
Other current assets		
Taxes (Note 10.2)	-	47
Prepaid expenses (*)	83	122
Total other current assets	**83**	**169**
Other non-current assets		
Prepaid expenses (*)	27	4
Total other assets	**110**	**173**

Table 2

(*) The prepaid expenses relate mainly to services and insurance.

NOTE 7.
INVESTMENTS IN SUBSIDIARIES

The following represents the book values of the subsidiaries, of Grupo Nutresa, to the date of the period, over which is reported:

		Book Value	
	% participation	2021	2010
Compañía de Galletas Noel S. A. S.	100%	1.676.540	1.526.079
Compañía Nacional de Chocolates S. A. S.	100%	1.185.765	1.136.868
Tropical Coffee Company S. A. S.	100%	19.349	17.033
Industria Colombiana de Café S. A. S.	100%	703.270	643.595
Industria de Alimentos Zenú S. A. S.	100%	187.023	196.187
Inverlogy S. A. S	100%	27.820	27.508
Meals Mercadeo de Alimentos de Colombia S. A. S.	100%	241.032	203.312
Molino Santa Marta S. A. S.	100%	71.903	88.098
Novaventa S. A. S.	93%	212.604	219.671
Pastas Comarrico S. A. S.	100%	34.884	32.662
Productos Alimenticios Doria S. A. S.	100%	115.713	122.282
Alimentos Cárnicos S. A. S.	100%	1.102.814	1.036.807
Setas Colombianas S. A.	94%	47.554	45.870
Compañía Nacional de Chocolates Perú S. A.	0,0%	10	10
La Recetta Soluciones Gastronómicas Integradas S. A. S.	70%	994	997
Gestión Cargo Zona Franca S. A. S.	83%	262.066	113.441
Comercial Nutresa S. A. S.	100%	73.794	45.109
Industrias Aliadas S. A. S.	83%	75.589	78.641
Opperar Colombia S. A. S.	100%	2.623	2.176
Servicios Nutresa S. A. S.	100%	5.501	895
Fideicomiso Grupo Nutresa	100%	-	308
Productos Naturela S. A. S.	60%	3.943	3.736
Atlantic FS S. A. S.	51%	62.996	52.642
C.I. Nutrading S. A. S.	100%	199	-
Total		**6.113.986**	**5.593.927**

Table 3

A detailed breakdown of the dividends received, and the result of the application of the Equity Method, on investments in subsidiaries, during the reporting periods, is as follows:

	2021			2020		
	Dividends received	Share of Income for the Period	Share of Other Comprehensive Income	Dividends received	Share of Income for The Period	Share of Other Comprehensive Income
Compañía de Galletas Noel S. A. S.	(76.457)	99.424	127.494	(27.727)	124.150	25.998
Compañía Nacional de Chocolates S. A. S.	(122.443)	107.816	63.524	(106.928)	106.070	1.021
Tropical Coffee Company S. A. S.	-	2.563	(247)	-	(1.076)	(65)
Industria Colombiana de Café S. A. S.	(1.032)	57.776	2.931	-	31.401	30.653
Industria de Alimentos Zenú S. A. S.	(26.300)	14.464	2.672	(22.564)	7.894	3.845
Inverlogy S. A. S.	-	379	(67)	-	324	-
Meals Mercadeo de Alimentos de Colombia S. A. S.	-	32.840	4.880	-	11.794	(798)
Molinos Santa Marta S. A. S.	(25.000)	9.739	(934)	-	9.951	3
Novaventa S. A. S.	(63.997)	56.227	703	-	41.819	(90)
Pastas Comarrico S. A. S.	-	2.815	(593)	-	610	-
Productos Alimenticios Doria S. A. S.	(44.022)	30.298	7.155	(12.423)	23.305	(1.271)
Alimentos Cárnicos S. A. S.	(79.124)	126.767	18.364	(58.184)	108.611	81.113
Setas Colombianas S. A.	(1.134)	3.520	(702)	(5.669)	4.461	-
Compañía Nacional de Chocolates Perú S. A.	(1)	-	1	-	-	(1)
La Recetta Soluciones Gastronómicas Integradas S. A. S.	-	(128)	125	-	208	-
Gestión Cargo Zona Franca S. A. S. [1]	-	18.246	1.379	-	18.978	(1.433)
Comercial Nutresa S. A. S.	-	26.702	1.983	-	18.967	105
Industrias Aliadas S. A. S.	(20.033)	17.768	(787)	-	8.544	10
Opperar Colombia S. A. S.	-	384	63	-	615	-
Servicios Nutresa S. A. S.	-	2.996	1.610	-	1.776	(1.395)
Fideicomiso Grupo Nutresa	-	(32)	-	-	20	-
Productos Naturela S. A. S	(236)	442	-	(137)	428	1
Atlantic FS S. A. S. (2)	-	10.334	19	-	3.303	595
C.I. Nutrading S. A. S.	-	(1)	-	-	-	-
Total	**(459.779)**	**621.339**	**229.573**	**5.593.927**	**522.153**	**138.291**

Table 4

In December 2021, the liquidation of the "Fideicomiso Grupo Nutresa" is carried out, generating a lower value of the investment of $276.

On September 9, 2021 Grupo Nutresa S. A. incorporated the company: Comercializadora Internacional Nutrading S. A. S., which will have as its main purpose the purchase, sale, and export of products for distribution and commercialization abroad; through a cash contribution of $ 200, corresponding to 200.000 shares at $1.000 Colombian pesos each, leaving a 100% stake.

On March 23, 2021, Grupo Nutresa S. A. capitalized Gestión Cargo Zona Franca S. A. S. through a cash contribution of $66.000, obtaining 8.721 additional shares that increased its stake to 78,56%. On August 27, 2021, Grupo Nutresa capitalized Gestión Cargo Zona Franca S. A. S. through a cash contribution of $ 63.000, obtaining 8.064 additional shares that increased its stake to 83,07%.

In February 2020, the balance of $ 8.379 was canceled for the purchase of 51% Atlantic FS S. A. S.

The dividends received in subsidiaries are recognized as the lesser value of the investment, as part of the application of the equity method. As of December 31st, 2021, dividend receivables were $0 (2020: $3.114).

Dividends received from subsidiaries generate an impact on cash flow for $462.893 (2020 - $238.902).

NOTE 8
INVESTMENTS IN ASSOCIATES

The following is a breakdown of the investments over which Grupo Nutresa has significant influence, and which are classified as associates:

			Book Value		2021		2020	
	Country	% participation	**2021**	2020	Share of Profit and Loss for the Period	Share of Other Comprehensive Income	Share of Profit and Loss for the Period	Share of Other Comprehensive Income
Associates								
Bimbo de Colombia S. A.	Colombia	40%	141.855	137.490	(1.638)	6.004	(2.845)	1.214
Estrella Andina S. A. S.	Colombia	30%	18.220	10.615	(592)	-	(2.602)	-
Wellness Food Company S. A. S.	Colombia	23,3% (2020-20%)	856	610	(42)	-	(3)	-
Internacional Ejecutiva de Aviación S. A. S.	Colombia	25%	3.119	-	(864)	539	-	-
Total associates			**164.050**	**148.715**	**(3.136)**	**6.543**	**(5.450)**	**1.214**

Table 5

Bimbo de Colombia S. A.

Bimbo de Colombia S.A. is a company domiciled in Tenjo, Colombia, and is dedicated primarily, to the manufacturing of baked goods.

Estrella Andina S. A. S.

Estrella Andina S.A.S. is a simplified joint stock company, engaged in the marketing of ready-made meals in the cafeterias, in which Nutresa has a 30% stake, having as its majority Shareholder, Grupo Alsea, with an interest of 70%.

Wellness Food Company S. A. S.

It is a simplified joint-stock company dedicated to the production of dairy products and other types of prepared foods n.c.p. in which Nutresa has a 23,33% participation.

Internacional Ejecutiva de Aviación S. A. S.

It is a simplified joint stock company, domiciled in Medellín dedicated to national passenger air transport, in which Nutresa obtains a 25% stake.

The movements of investments in associates, are as follows:

	2021	2020
Opening balance	**148.715**	**150.658**
Increase of contributions (*)	11.928	2.293
Participation in profit and loss	(3.136)	(5.450)
Participation comprehensive income	6.543	1.214
Ending balance	**164.050**	**148.715**

Table 6

INCREASE IN CONTRIBUTIONS IN ASSOCIATES AND JOINT VENTURES

(*) In May 2021, a subscription of shares of Wellness Food Company S.A. S. was made for $ 288, increasing its participation to 23,33%, which were paid in full.

(*) In April 2021, Grupo Nutresa S. A. made an acquisition of 1.125.000 shares of Internacional Ejecutiva de Aviación S. A. S. equivalent to 25% of the capital for $ 3.444, which were paid in full.

(*) In April 2021, an increase was made in the capital of Estrella Andina S. A. S., in which Grupo Nutresa made a contributing for $ 8.197, without generating changes in the percentage of participation, which were paid in full. In June 2020, Estrella Andina S. A. S.'s capital was increased in which Grupo Nutresa invested $2.293, without generating changes in the percentage of participation, which was paid in full.

During the period covered by these Financial Statements, no dividends were received from these investments.

None of the associates and joint ventures, held by the Group are listed on a stock market, and consequently, there are no quoted market prices for the investment.

Below, is the summarized financial information regarding the associated entities:

	2021					2020				
	Assets	Liabilities	Equity	Profit for the Period	Comprehensive Income for the Period	Assets	Liabilities	Equity	Profit for the Period	Comprehensive Income for the Period
Bimbo de Colombia S. A.	738.816	384.179	354.637	(4.096)	14.070	684.582	340.859	343.723	3.568	1.577
Estrella Andina S. A. S.	104.779	43.874	60.905	(1.974)	-	77.965	42.409	35.556	(5.497)	-
Wellness Food Company S. A. S.	1.381	402	979	(200)	-	1.000	398	602	9	-
Internacional Ejecutiva de Aviación S. A. S.	168.232	168.819	(587)	(3.452)	-	-	-	-	-	-

Table 7

NOTE 9. OTHER NON-CURRENT FINANCIAL ASSETS

The results for the period include income from dividends on these instruments, and which are recognized, by Nutresa, on the date that the right to receive future payments is established, which is the date of declaration of dividends by the issuing company. "Other comprehensive income" includes changes in the fair value of these financial instruments.

The breakdown of financial instruments, is as follows:

Book Value	Number of shares held	Participation as % in Total Ordinary Shares	**2021**	2020
Grupo de Inversiones Suramericana S. A.	61.021.436	13,07% (2020-13,01%)	1.830.643	1.542.622
Grupo Argos S. A.	82.300.360 (2020: 79.804.628)	12,51% (2020-12,37%)	1.115.170	1.109.284
Other companies			2.036	2.036
			2.947.849	**2.653.942**

Table 8

	2021		2020	
	Dividend Income	Profit on Fair Value Measurement	Dividend Income	Loss on Fair Value Measurement
Grupo de Inversiones Suramericana S. A.	36.820	288.021	1.830.643	1.542.622
Grupo Argos S. A.	30.485	(24.600)	1.115.170	1.109.284
Other companies	441	-	2.036	2.036
	67.746	**263.421**	**69.265**	**(843.345)**

Table 9

The value of the dividend per share declared for 2021 by Grupo from Inversiones Suramericana S. A. was $603,40 pesos per share, payable quarterly in the amount of $150,85 pesos. Grupo Argos S. A. declared a dividend of $382 pesos per share, payable in a single cash installment in full or 50% of the cash dividend and 50% in shares or 100% in shares.

In April 2021, 2,495,732 shares were received as dividend payment from Grupo Argos at a value of $ 12.215 per share, equivalent to $30.485.

At 2020 the annual value per share was $376 pesos ($94 pesos quarterly) for Grupo Argos S. A. and $583 pesos ($145,75 pesos quarterly) for Grupo de Inversiones Suramericana S. A.

The dividend income recognized as of December 2021, for portfolio investments corresponds primarily to the total annual dividend declared by the issuers, and therefore similar income is expected for the remainder of the year.

As of December 31st, 2021 there is receivable for dividends from financial instruments $9.206 (2020: $16.396).
Dividends received generated an effect on cash flow as of December 31st, 2021 of $74.936 (2020: $68.243).

9.1. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

The fair value of shares traded and that are classified as high trading volume is determined based on the price quoted on the Colombian Stock Exchange; this measurement is in the Hierarchy 1, established by IFRS 13 for measuring fair value. This category includes investments held by Grupo Nutresa in Grupo de Inversiones Suramericana S.A. and Grupo Argos S.A. This measurement is realized monthly and as of December 31st, 2021 generated profits of $263.421 (2020: loss of $843.345), recognized in the other comprehensive income. In the case of other investments, when their book value is material, the measurement is made annually using valuation techniques recognized and accepted under IFRS 13.

The following is the value per share, used in the valuation of investments listed on the Colombian Stock Exchange:

Price per share (in pesos)	2021	2020
Grupo de Inversiones Suramericana S. A.	30.000	25.280
Grupo Argos S. A.	13.550	13.900

Table 10

Investments in other companies classified in this category are measured at fair value on a non-recurrent basis, only when a market value is available. The Company considers omission of recurrent measurement of these investments is immaterial for the presentation of Grupo Nutresa's Financial Statements.

There have been no changes in the fair value hierarchy for the measurement of these investments, nor have there been changes in the valuation techniques used.

9.2. LIENS

As of December 31st, 2021 and 2020, there were pledges of 20.786.846 shares of Grupo de Inversiones Suramericana S. A., in favor of financial entities in Colombia, as collateral for obligations, contracted by Grupo Nutresa and its subsidiaries.

NOTE 10.
INCOME TAXES AND TAXES PAYABLE

10.1. APPLICABLE NORMS

The current tax provisions applicable to the Company establish a nominal income tax rate of 31%.

The basis for the tax treatment is the recognition of income and expenses accrued for accounting purposes, except for those expressly provided for in the regulations, such as: the time of realization for certain income, non-deductibility of the difference not realized, limitation of the deduction for employee, customer and supplier services, ceilings on annual depreciation rates, changes in realization for tax recognition of the customer loyalty plan and the option to take the value paid for industry and commerce tax as a 100% deduction or as a 50% tax discount.

Otherwise, donations made to entities belonging to the special tax regime are not deductible, but it is allowed a tax discount of 25% on the value donated, which cannot exceed 25% of the income tax payable in the respective taxable year.

The presumptive income applicable to the year 2021 0,5% (2020: 0,5%).

The firmness of tax returns is generally 3 years, however, for companies' subject to the transfer pricing regime, the firmness is 5 years and the returns that originate or offset tax losses will be firm in 5 years. Additionally, for the years 2020 and 2021, the returns that present an increase in net income tax by a minimum percentage of 30% or 20% compared to the previous year, will be final in 6 months or 12 months, respectively.

10.2 TAX ASSETS AND LIABILITIES

Tax assets are presented in the Statement of Financial Position, under "other current assets". The balance, includes:

	2021	2020
Other taxes	-	47
Total current tax assets	**-**	**47**

Table 11

The current taxes payable balances include:

	2021	2020
Income tax and complementaries	-	349
Withholding taxes, payable	372	213
Other taxes	912	594
Total	**1.284**	**1.156**

Table 12

The Company applies the laws with professional judgment, to determine and recognize the provision for current tax and deferred income, on its Separate Financial Statements. The final tax determination depends on the new regulatory requirements, the existence of sufficient taxable profit for the use of fiscal benefits, as the treatment of untaxed income, and special deductions, according to the current regulations and applicable, and the analysis of favorability probability of expert opinions.

The Company recognizes liabilities, for anticipated tax audits, observed based on estimates, if correspondent to payment of additional taxes. When the final tax outcome of these situations is different, from the amounts that were initially recorded, the differences are charged to tax on current and deferred assets and liabilities, in the period in which this is determined.

Additionally, based on the criteria and judgments in the determination and recognition of those taxes, as of December 31, 2021, no situations have been identified that generate tax uncertainty and that should be recognized in the accounting according to the framework defined by IFRIC 23.

10.3 INCOME TAX EXPENSES

Current income tax expenses and deferred tax are as follows:

	2021	2020
Income tax	841	932
Total	**841**	**932**
Deferred taxes (*)	(1.329)	262
Total income tax expenses	**(488)**	**1.194**

Table 13

(*) The composition of the deferred income tax arises primarily from the recognition of investment.

10.4 DEFERRED INCOME TAX

	2021	2020
Deferred tax assets		
Investments	-	6.780
Other assets	-	15
Total deferred tax assets	**-**	**6.795**
Deferred tax liabilities		
Investments	7.178	11.897
Other liabilities	(15)	-
Total income tax liabilities	**7.163**	**11.897**
Net deferred tax liabilities	**7.163**	**5.102**

Table 14

The movement of deferred tax, during the period, was as follows:

	2021	2020
Opening balance, net liabilities	**5.102**	**4.735**
Deferred income tax expenses recognized in profit and loss	(1.329)	262
Deferred tax recognized against retained earnings from previous years [2]	861	-
Income tax relating to components of other comprehensive income [1]	2.529	105
Ending balance, deferred tax net liabilities	**7.163**	**5.102**

Table 15

[1] The income tax, relating to components of other comprehensive income, is determined by new measurements of benefit plans to employees of $209 (2020: $-259), the participation in associates and joint ventures, accounted for by using the Equity Method, in the amount of $2.320 (2020 $364).
[2] On October 20, 2021, the Ministry of Commerce, Industry and Tourism of Colombia issued Decree 1311, through which it gives the option that the recognition and presentation of the deferred tax caused by the change in the approved income tax rate by Law 2155 - "Ley de Inversión Social", which goes from 30% to 35% is recorded in the equity against of retained earnings from previous years. In this sense, Grupo Nutresa opted for this option and recorded a debit in equity of $861 and not in the results of the period as established by IAS 12.

10.5 EFFECTIVE TAX RATES

The effective rate is significantly below the theoretical rate, due mainly to untaxed income. Income received by Grupo Nutresa, corresponds primarily to dividends of non-taxed portfolios and the recognition of the profits obtained by the subsidiary companies, and are recognized, in the Company's Separate Financial Statements, through the equity method.

Additionally, the Company has the limitation of some deductions, which increase the effective rate, such as: financial movement tax, permanent provisions, costs and expenses of previous years, fines and penalties, among others.

Below is reconciliation, of both the applicable tax rate and the effective tax rates:

	2021		2020	
	Value	**%**	Value	%
Accounting profit	**684.331**		**584.435**	
Tax expenses at applicable tax rates	**212.143**	**31.00%**	**187.019**	**32.00%**
Non-taxed portfolio dividends	(21.001)	(3.07%)	(22.165)	(3.79%)
Untaxed income from the Equity Method	(192.616)	(28.15%)	(167.089)	(28.59%)
Other tax effects	986	0.15%	3.429	0.59%
Total tax expenses, net (Note 10.3)	**(488)**	**(0.07%)**	**1.194**	**0.20%**

Table 16

10.6 INFORMATION ON CURRENT LEGAL PROCEEDINGS

The Company files a lawsuit for the lack of knowledge of deductions and compensation for tax losses, in tax returns for the taxable years 2008, 2009 and 2014. Due to lack of knowledge, the Administration rejected the rebates, in favor of those taxable years, which made the necessary lawsuit against the resolutions that decided the rejection.

10.7 APPROVED TAX REGULATIONS APPLICABLE FROM THE YEAR 2022

Through Law 2155 of 2021, some decisions were adopted regarding income tax, sales tax, and consumption tax.

- Increase from 2022 in the income tax rate for legal entities to 35%.
- The possibility of taking 100% as a tax discount from the ICA since 2022 is repealed. The benefit of 50% of the ICA paid is maintained.
- DIAN is granted the power to implement the billing of income and complementary taxes, that constitutes the official determination of the tax, and that will provide executive merit.
- In order that the electronic invoice in credit operations can constitute support for costs, deductions, and discounted taxes, the purchaser must confirm receipt of the invoice for the goods and/or services acquired by means of an electronic message sent to the issuer to expedition the bill.
- POS document may only be issued when the sale of the good or service does not exceed 5 U.V.T.

- In order for the electronic invoice to be considered as a security and the economic rights contained in it can be transferred. The transferor or endorsee must register the transaction carried out in the DIAN registry.
- The benefit of three days without sales tax per year is permanently established.
- The audit benefit continues for taxable years 2022 and 2023, due to an increase in net income tax of 35% (6 months) or 25% (12 months).
- Various alternatives are established for the reduction and payment of taxes, interests, and penalties.

NOTE 11. TRADE AND OTHER ACCOUNT PAYABLES

The balances of trade and other accounts payable, are as follows:

	2021	2020
Cost and expenses payable	1.983	281
Dividends payable (Note 13.3)	91.475	84.650
Payroll deductions and contributions	226	235
Loans and accounts payable to related parties (Note 17)	119	803
Total	**93.803**	**85.969**

Table 17

NOTE 12. EMPLOYEE BENEFITS

Employee benefits, correspond to all considerations, arising from formal plans or agreements, legal requirements, granted by the Company, in exchange for services rendered by employees, or for severance indemnities. Benefits include all remuneration, realized directly to employees, or their beneficiaries or dependents of employees, (spouse, children and others), and/or third parties, whose settlement can be made through cash payments, and/or supply of goods and services (non-monetary profit).

The balance of liabilities for employee benefits as of December 31 is as follows:

	2021	2020
Short-term benefits	1.729	1.349
Post-employment benefits - defined contributions	12	10
Other long-term benefits (Note 12.2)	3.317	2.425
Total liabilities for employee benefits	**5.058**	**3.784**
Current portion	2.838	2.712
Non-current portion	2.220	1.072

Table 18

12.1 POST-EMPLOYMENT BENEFITS - DEFINED BENEFITS PLANS

The liability for post-employment benefits is estimated using the current technique of the projected credit unit, which requires the use of financial and demographic assumptions, including but not limited to: discount rate, inflation index, wage increase expectation, life expectancy, and employee turnover rate. The estimation of the liability, as well as the determination of the values of the assumptions, used in the valuation, is performed by an independent external actuary. Given the long-term horizon of these benefit plans, the estimates are subject to a significant degree of uncertainty, any change in actuarial assumptions directly impacts the value of the pension obligation, and other post-employment benefits.

A reconciliation of the movements, of the defined benefit plans, is as follows:

	2021			2020
	Plan Liability	Plan Asset	Net benefit	Plan Liability
Present value of obligations at January 1st	**16.880**	**16.880**	**-**	**-**
(+) Cost of service	838	-	838	883
(+) Interest expenses	1.286	-	1.286	1.263
(-) Plan returns	-	2.380	(2.380)	(1.384)
(-) Actuarial gains or losses	(2.319)	-	(2.319)	866
(-) Contributions to the fund of the plan	-	(2.575)	2.575	(1.628)
Present value of obligations at December 31st	**16.685**	**16.685**	**-**	**-**

Table 19

Actuarial gains and losses are recognized in the Income Statement, under other comprehensive income.

The Company estimates that the time for the termination of the benefit is 16 years (2020: 17 years).

12.2 LONG-TERM BENEFITS

The long-term benefits include mainly seniority premiums and variable remuneration systems.

Seniority premiums is paid to the employee for every five years of service. The liability is recognized gradually, as the employee renders the services, that will make it creditor. Its measurement is realized annually, through the use of actuarial techniques. Current gains and losses, arising from experience, and changes in actuarial assumptions, are charged or credited to income for the period in which they arise.

The Company does not have specific assets to support the long-term benefits. The liability from long-term benefits, is determined separately for each plan, using the actuarial valuation method of the projected credit unit, using actuarial assumptions, as of the date of the reporting period. The current service cost, past service cost, interest cost, actuarial gains and losses, as well as, any liquidation or reduction of the plan is recognized in the profit and loss.

The following is the reconciliation of movements of other long-term employee benefits:

	2021	2020
Present value of obligations at January 1st	**2.425**	**2.694**
(+) Cost of services	2.520	569
(+/-) Interest expenses	131	109
(+/-) Actuarial losses and/or gains	456	(191)
(-) Payments	(2.132)	(756)
(+/-) Others	(83)	-
Present value of obligations at December 31st	**3.317**	**2.425**

Table 20

12.3 EXPENSES FOR EMPLOYEE BENEFITS

Amounts recognized as expenses for employee benefits, are as follows:

	2021	2020
Short-term benefits	6.902	6.698
Post-Employment benefits	1.000	1.037
Other long-term benefits	3.083	355
Sub Total	**10.985**	**8.090**
Reimbursement for contracts of mandate (*)	(10.157)	(6.863)
Total	**828**	**1.227**

Table 21

(*) According with the mandated agreement, Grupo Nutresa S.A. transfers to the subsidiary companies, the cost for employee benefits, corresponding to the corporate services provided to each of them.

12.4 ACTUARIAL ASSUMPTIONS

The main actuarial assumptions used in the actuarial measurement of the defined and long-term plans are:

	2021	2020
Discount rates	8,10%	6,22%
Salary increase rates	4,30%	4,00%
Employee turn-over rates	1,00%	1,00%

Table 22

According to the guidelines prescribed by the current regulation, for discount purposes, the rate of high quality corporate bonds, whose maturity is in accordance with the established benefits, is used. However, the Colombian market does not have sufficient liquidity and depth in these types of bonds. Grupo Nutresa establishes its hypothesis of the discount rate, based on the assumptions of the performance of the sovereign debt bonds, of the committed country, denominated in percentages, according to the terms of the obligation. The rates of the real yield curve are obtained from the information published daily, by the market.

The table used is mortality rate, by sex. This table is issued by the Financial Superintendence, through Resolution 1555 of 2010 for Colombia.

The salary increase rates were determined based on historical performance, the projections of the inflation, and consumer price indexes.

The turnover rate of employees is estimated, based on historical data of the Company.

12.5 SENSITIVITY ANALYSIS

A quantitative analysis of sensitivity to a change in a significant key assumption, as of December 31st, 2021, would generate the following impact on the obligation for other long-term benefits, as well as, senior premium:

	Seniority Premium	Others defined benefits
Discount rate +1%	(33)	(1.213)
Discount rate -1%	36	1.220
Rate of salary increases +1%	37	1.082
Rate of salary increases -1%	(35)	(1.080)

Table 23

The methods and assumptions used to prepare sensitivity analyzes of the present value of the obligations were the same method, as for the actuarial calculation, at December 31st, 2020: Projected Credit Unit. Sensitivity has no limitations, nor changes in the methods and assumptions used to prepare the analysis of the current period.

NOTE 13. EQUITY

13.1 ISSUED SHARE CAPITAL

As of December 31st, 2021 and 2020, the balance of capital of the Parent Company was $2.301, representing a total of 457.755.869 fully paid and subscribed shares (2020: 460.123.458). There were no changes to the make-up of the capital during neither to the period nor the comparative period.

There is a paid-in capital of shares for $ 546.832, from the issuance of shares made in previous periods.

The Company's shares are listed on the Colombian Stock Exchange as of December 31st, 2021, and its market value was $28.640 per share (2020: $24.000).

The corporate structure of the company, as of December 31, is as follows:

Investor Group	2021 Number of Shares	2021 % Participation	2020 Number of Shares	2020 % Participation
Grupo de Inversiones Suramericana S. A.	163.558.938	35,7%	162.758.405	35,4%
Grupo Argos S. A.	45.243.781	9,9%	45.243.781	9,8%
Colombian Funds	100.334.469	21,9%	93.712.571	20,4%
International Funds	28.890.824	6,3%	33.982.986	7,4%
Other Investors	119.727.857	26,2%	124.425.715	27,0%
Total outstanding shares	**457.755.869**	**100%**	**460.123.458**	**100%**

Table 24

According to the register of shareholders, at December 31st, 2021, there are 12.574 shareholders (2020: 11.537).

13.2 RESERVES AND RETAINED EARNINGS

Of the accounts that make up the equity, reserves at December 31st of 2021 and 2020 are as follows:

	2021	2020
Legal reserves	3.787	3.787
Occasional non-distributed reserves	1.558.597	1.558.597
Other reserves	3.005.527	2.797.052
Total Reserves	**4.567.911**	**4.359.436**
Retained earnings	3	3
Total	**4.567.914**	**4.359.439**

Table 25

Legal reserves: In accordance with Colombian Commercial Law, 10% of the net income each year should be appropriated as a legal reserve, until the balance is equivalent to at least 50% of the subscribed capital. The reserve is not distributable before the liquidation of the Company, but must be used to absorb losses. The excess over the minimum required by law is freely available to the Shareholders.

Occasional non-distributed reserves: corresponds to the voluntary reserve, approved by the Shareholder's Assembly at a Meeting on March 18, 2016, in reference to accumulated profits, generated in the process of First-time Adoption of IFRS.

Other reserves: corresponds to voluntary reserves, substantially freely available by the Shareholders' Meeting.

Other reserves for the shares buyback: At the meeting held on March 24, 2020, a reserve of $300.000 was approved to formulate one or several offers for the shares buyback, charged to the Reserve for the Shares Buyback, provided that the shares to be acquired they are fully released and the applicable regulations on the trading of shares in the stock market are observed. In 2021, 2.367.589 shares are repurchased, the balance of this reserve in 2021 is $247.964 (2020: $300.000).

Retained earnings: corresponds mainly to the realization of financial instruments of liquidation of the Livestock Fund of Antioquia, in the amount of $3.

SHARES BUYBACK

During The Ordinary Shareholders of Grupo Nutresa in 2020, the shares buyback project was approved for the next three years until $300.000, in order to deliver part of the value generated by the company to all shareholders.

AAs of December 31st, 2021, where 2.367.589 shares of the Group were acquired, for $52.036, and $1.138 of dividends from the reacquired shares were recognized in the reserves.

The number of outstanding shares is presented below:

# Shares outstanding initial balance	Shares buyback	# Shares outstanding final balance
460.123.458	2.367.589	**457.755.869**

Table 26

13.3 DISTRIBUTION OF DIVIDENDS

The ordinary Shareholders of Grupo Nutresa S.A., at the meeting, held on March 23, 2021, declared ordinary share dividends of $58,50(*) per-share and per-month, equivalent to $702 (*) annually per share (2020: $649,20 (*) annually per share), over 460.123.458 outstanding shares, during the months from April 2021 to March 2022, inclusive, for a total of $323.007 (2020: $298.712).

This dividend was declared by taking untaxed earnings from 2020, in the amount of $297.553, and taking untaxed earnings from 2019 in the amount of $25.454.

As of December 31st, 2021, dividends payable is up to $315.044 (2020: $293.536).

Accounts payable as of December 31st, 2021 for $93.802 (2020: $85.969) mainly include dividends payable for $91.475 (2020: $84.650) for this concept.

Appropriations authorized by the General Assembly of Shareholders are recorded as reserves, charged to the results of the year for compliance with legal provisions or to cover expansion plans or financing needs. The Company takes the profits for the year to retained earnings and these to reserves. The appropriation value is $285.688 (2020: $215.186).

(*) In Colombian Pesos.

NOTE 14. OTHER COMPREHENSIVE INCOME, ACCUMULATED

Below is a breakdown of each of the components of accumulated other comprehensive results, in the Separate Financial Statements:

	Actuarial Losses / gains (14.1)	Equity investments (14.2)	Investments in Associates (14.3)	Subsidiaries (14.4)	**Total Other Comprehensive Income, Accumulated**
Balance at January 1st, 2021	**(8.438)**	**2.425.475**	**424**	**413.525**	**2.830.986**
Losses/Gains for new measurements	2.319	263.421	6.543	229.573	501.856
Associated income tax	(209)	-	(2.320)	-	(2.529)
Balance at December 31st, 2021	**(6.328)**	**2.688.896**	**4.647**	**643.098**	**3.330.313**

	Actuarial Losses / gains (14.1)	Equity investments (14.2)	Investments in Associates (14.3)	Subsidiaries (14.4)	**Total Other Comprehensive Income, Accumulated**
Balance at January 1st, 2020	**(7.831)**	**3.268.820**	**(426)**	**275.234**	**3.535.797**
Losses/Gains for new measurements	(866)	(843.345)	1.214	138.291	(704.706)
Associated income tax	259	-	(364)	-	(105)
Balance at December 31st, 2020	**(8.438)**	**2.425.475**	**424**	**413.525**	**2.830.986**

Table 27

During the period, no reclassification of gains/losses previously recognized in other comprehensive income to profit and loss, was realized.

14.1 (LOSSES) GAINS ON RE-MEASUREMENT OF DEFINED BENEFIT PLANS

The component of new measurements of defined benefit plans represents the accumulative value of the actuarial gains and losses, primarily from" Other defined employee benefits". The net value of the new measurements is transferred to retained earnings and not reclassified to the Income Statement.

See Note 12, for detailed information about defined benefits plans.

14.2 VALUATION OF FINANCIAL INSTRUMENTS - EQUITY INVESTMENTS MEASURED AT FAIR VALUE THROUGH EQUITY

The component of other comprehensive income from equity investments measured at fair value through profit and loss represents the accumulated value of the gains or losses valuation to fair value minus the values transferred to retained earnings when these investments are sold. Changes of fair value are not reclassified to the Income Statement.

See Note 9, for detailed information on these investments.

14.3 INVESTMENTS IN ASSOCIATES - INTEREST IN OTHER COMPREHENSIVE INCOME, ACCUMULATED

The component of other comprehensive income from investments in associates and joint ventures, represents the accumulated value of gains or losses, from the participation in other comprehensive income of the investee. These accumulated profits may be transferred to profit or loss for the period in the cases provided by accounting standards.

See Note 8, for detailed information on investments in associates.

14.4 SUBSIDIARIES – INTEREST IN OTHER COMPREHENSIVE INCOME, ACCUMULATED

The component of other comprehensive income of investments of subsidiaries measured to the Equity Method, through profit or loss, represents the accumulated value of gains or losses of valuation from the Equity Method, minus the values transferred to retained earnings, when these investments have been sold. Changes in fair value can be reclassified to profit and loss for the period.

See Note 7, for more detailed information, regarding investments in subsidiaries and the application of the Equity Method of the other comprehensive income.

NOTE 15. EXPENDITURE BY NATURE

Below is a detailed breakdown of expenditures by nature, for the period:

	2021	2020
Taxes other than income tax	1.575	1.824
Employee benefits (Note 12.3)	828	1.227
Other expenses	118	297
Insurance	76	72
Other services	48	197
Fees	-	1.551
Contributions and memberships	-	520
Travel expenses	-	8
Total	**2.645**	**5.696**

Table 28

Grupo Nutresa S.A. operates under the modality of commercial offer of services of mandate without representation, offering shared services to the other companies of the Group, for integral management. Under this contract, the expenses, associated with the services provided to each of them, are transferred to the subsidiary companies.

NOTE 16. EARNINGS PER SHARE

The amount of basic earnings per share is calculated by dividing net profit for the year attributable to holders of ordinary equity of the Parent, by the weighted average number of ordinary outstanding shares during the year.

Below is the information about earnings and number of shares used in the computations of basic earnings per share:

	2021	2020
Net income attributable to holders of ordinary equity of the Parent	684.819	583.241
Outstanding shares	458.948.033	460.123.458
Earnings per share attributable to controlling interest	**1.492,15**	**1.267,58**

Table 29

There are no equity instruments with potential dilutive impact on earnings per share.

In accordance with current corporate regulations in Colombia, the distribution and payment of dividends to the Shareholders of the Parent Company is not realized on Separate Financial Statements, but on the Separate Financial Statements of Grupo Nutresa S.A.

NOTE 17.
DISCLOSURE OF RELATED PARTIES

The following table represents the values of transactions between related parties at year-end:

2021								
Company	Purchases of Goods and Services	Sales of Goods and Services	Receivables Balance	Payables Balance	Dividend Income	Dividends Paid	Interest incomes	Interest expenses
Subsidiaries								
Alimentos Cárnicos S. A. S.	-	-	651	-	79.124	-	-	-
Compañía de Galletas Noel S. A. S.	-	-	692	-	76.458	-	-	-
Compañía Nacional de Chocolates S. A. S.	-	-	1.048	-	122.443	-	-	-
Compañía Nacional de Chocolates del Perú S. A.	-	-	-	-	1	-	-	-
Industria Colombiana de Café S. A. S.	-	-	508	-	1.032	-	-	-
IRCC S.A.S. Industria de Restaurantes	1	-	176	17		-	-	-
Meals Mercadeo de Alimentos de Colombia S. A. S.	-	-	151	-		-	-	-
Molinos Santa Marta S. A. S.	-	-	-	-	25.000	-	-	-
Novaventa S. A. S.	-	-	-	-	63.997	-	-	-
Productos Alimenticios Doria S. A. S.	-	-	136	-	44.022	-	-	-
Servicios Nutresa S. A. S.	-	-	472	102	-	-	-	3
Setas Colombianas S. A.	-	-	-	-	1.134	-	-	-
Industrias Naturela S. A. S.	-	-	-	-	236	-	-	-
Industrias Aliadas S. A. S.	-	-	-	-	20.033	-	-	-
Industria de Alimentos Zenú S. A. S.	-	-	-	-	26.300	-	-	-
Entities with joint control or significant influence over the entity								
Grupo de Inversiones Suramericana S. A.	203	-	9.205	142	36.820	111.994	-	-
Other related parties								
Grupo Bancolombia	190	1	4	4	-	-	4	-
Grupo Argos S. A.	-	-	-	-	30.485	31.164	-	-
Members, Board of Directors	1.238	-	-	148	-	-	-	-

2020								
Company	Purchases of Goods and Services	Sales of Goods and Services	Receivables Balance	Payables Balance	Dividend Income	Dividends Paid	Interest incomes	Interest expenses
Subsidiarias								
Alimentos Cárnicos S. A. S.	-	836	-	-	58.184	-	-	-
Compañía de Galletas Noel S. A. S.	-	979	-	-	27.727	-	-	-
Compañía Nacional de Chocolates S. A. S.	-	832	510	-	106.928	-	-	-
Industria Colombiana de Café S. A. S.	-	520	-	-	-	-	-	-
IRCC S.A.S. Industria de Restaurantes Casuales S. A. S.	-	520	76	18	-	-	-	-
Meals Mercadeo de Alimentos de Colombia S. A. S.	-	227	-	-	-	-	-	-
Productos Alimenticios Doria S. A. S	-	146	-	-	12.423	-	-	-
Servicios Nutresa S. A. S.	18	-	1.570	785	-	-	-	6
Setas Colombianas S. A.	-	-	3.114	-	5.669	-	-	-
Productos Naturela S. A. S.	-	-	-	-	137	-	-	-
Industria de Alimentos Zenú S. A. S.	-	-	-	-	22.564	-	-	-
Entities with joint control or significant influence over the entity								
Grupo de Inversiones Suramericana S.A.	50	-	8.894	66	38.688	103.729	-	-
Other related parties								
Grupo Bancolombia	54	-	8	1	-	-	-	-
Grupo Argos S.A.	-	-	7.502	-	30.007	28.951	-	-
Corporación Vidarium	3	-	-	-	-	-	-	-
Members, Board of Directors	1.139	-	-	28	-	-	-	-

Table 30

Purchases and sales were executed in equivalent conditions than those of the market. Outstanding balances are expected to be settled under normal conditions; these balances have not been granted, nor received guarantees. No expense has been recognized in the current or prior periods, regarding uncollectable debts or doubtful accounts related amounts owed by related parties.

During the period payments in the amount of $8.707 (2020: $6.284) for 2 key personnel (2020: 2 employees) were made.

NOTE 18.
EVENTS AT THE END OF THE QUARTER AND SUBSEQUENT EVENTS

These Separate Financial Statements were authorized for issuance, by the Board of Grupo Nutresa, on February 24, 2022. There are no significant events after the closing of the Financial Statements, and up until the date of its approval, that might significantly impact Grupo Nutresa's Financial Position, reflected in these Financial Statements.

Grupo nutresa

www.gruponutresa.com