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—



Corporate  
Governance  
Report

**2018**



Corporate governance is one of the pillars of Grupo Nutresa's corporate philosophy of action, and the Organization is permanently striving to align its practices with the highest worldwide standards in this regard.

Thus, ensuring that the performance of the Company and its governance bodies is carried out within an institutional and ethics-based framework focused on transparency and integrity is a priority for the Company.

One of the mechanisms used to achieve transparency is the delivery of clear, unabridged and timely information, which is something that generates trust among the multiple stakeholders and helps in retaining and attracting both local and foreign investors.

In order to be consistent with this strategy, and complying with the provisions of Article 25 from the Code of Corporate Governance, Grupo Nutresa's Board of Directors presents the Corporate Governance Report for 2018.

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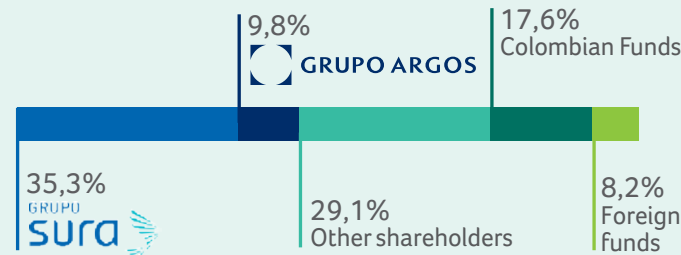




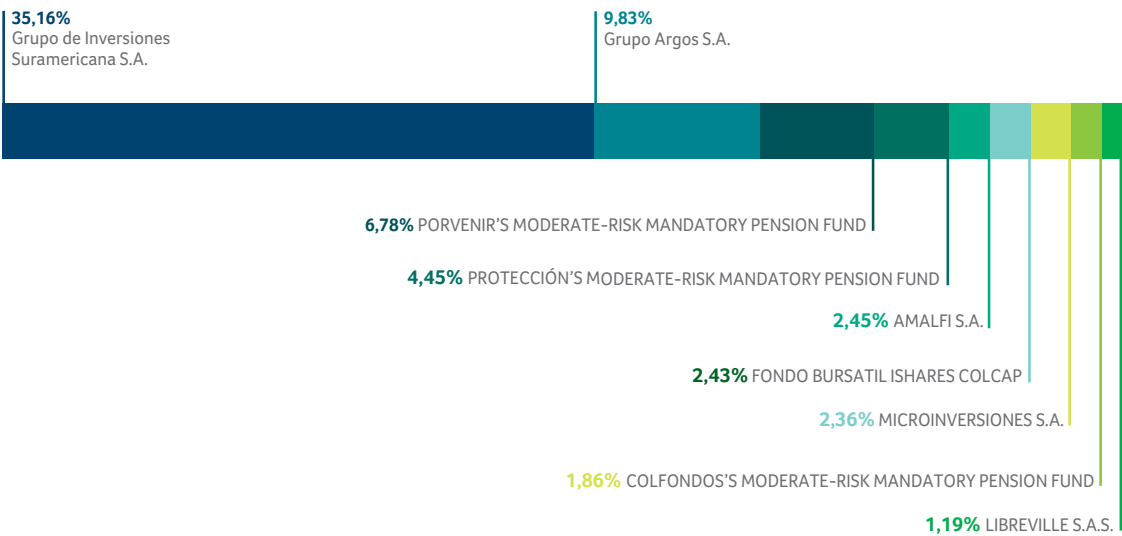
Capital and structure of the company’s ownership as of December 31, 2018

IPO	March 21, 1961
Type of stock	Common
Number of outstanding shares	460.123.458
Number of shares held in reserve	19.876.542
Own shares reacquired	0

Structure of the ownership of Grupo Nutresa S. A.



Identity of the shareholders that directly or indirectly own significant stock, as of December 31, 2018



The Company permanently publishes on its website the list of the twenty-five (25) shareholders with the biggest ownership interests. Such list is updated on a quarterly basis and it can be directly found through this link:



[read more](#)

**Information about the stock directly (in a personal capacity) or indirectly (through Companies or other means) owned by the members of the Board of Directors and about the voting rights represented by said stock**

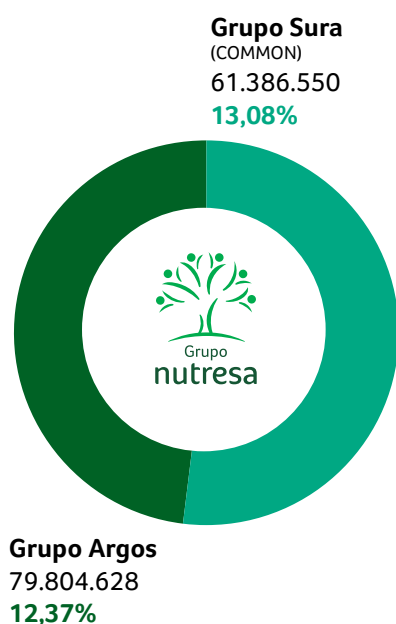
As of December 31, 2018, the members of the Board owned an aggregate total of 49,742 shares, equivalent to 0,010% of the total outstanding common stock.

**Relations of family, commercial, contractual or corporate nature existing between the holders of significant share interests and the Company, or among the holders of significant share interests themselves**

Grupo Nutresa and its subsidiary companies held typical relations of the ordinary course of their activities with several holders of significant share interests in 2018. All the relations were held under market conditions and complying with the law and the Company's Policy of transactions among Related Parties.

The details of the business transactions carried out with Related Parties in 2018 are included in the notes to the Company's Financial Statements.

Additionally, and as it is publicly known in the market, two significant stock interest holders, namely Grupo Sura and Grupo Argos, own cross-shareholdings, which are illustrated in detail below.





Employees from the  
Novaventa Operations Center  
in Antioquia, Colombia.

### **Negotiations of shares (and other securities issued by the Company) carried out by the Directors, senior managers and other executive managers**

There were no negotiations of Grupo Nutresa S.A. stock or share units carried out by the Directors, senior managers or other executive managers in 2018.

The Organization's employees who participate in the Superior Achievement Acknowledgment System (abbreviated SPLS in Spanish), as explained further ahead, earn part of their variable yearly remuneration in units of a fund that invests in Grupo Nutresa S.A. stock, which is managed by the Protección Pension and Unemployment Fund.

### **Summary of Shareholders' agreements known by the Company**

As of the date of issue of this report, no information about any shareholders' agreements has been submitted or delivered to the Company, and no knowledge of such type of agreements has come to the attention of the Organization by any other means.

### **Own stock owned by the Company**

The Company has an Own Stock Acquisition Policy that establishes the general guidelines that govern Grupo Nutresa's process for acquiring its own stock. The Policy determines that the acquisition of the Company's own stock will constitute an option to return part of the invested capital to the shareholders. This option can be considered by the Company in events of excess liquidity and according to the result of the financial analysis that considers the best investment options to be the activities included in the corporate purpose and the cost of capital.

However, there was no acquisition of Grupo Nutresa's own stock in 2018. And, the Company currently does not own any of its own stock.



Coffee landscape, Colombia.



## Composition of the Board of Directors

- The Board of Directors of the Company is formed by seven (7) members elected for terms of one (1) year.
- Four (4) of the seven (7) members are independent because they fulfill the corresponding legal requirements as well as the requirements voluntarily adopted by the Company. Grupo Nutresa's requirements are more rigorous than those determined by the law and they are established in Article 9 of the Code of Corporate Governance.
- The Chairman of the Board of Directors, Mauricio Reina, is one of the independent members and he presides over the support committees.
- No member of the Board of Directors is an employee of the Company.
- All the members of the Board meet the requirements in terms of professional background, academic training and experience

established in the Code of Corporate Governance for occupying their positions. Additionally, the Directors have the necessary skills to ensure that the administration body performs an efficient work and contributes to the fulfillment of the Company's strategic goals.

- In 2018, all members of the Board of Directors received training in risk management.
- The Directors have diverse profiles, knowledge and experience in finance, business and strategy, and they meet the skill-set requirements defined as necessary for said governance body.

The Company has a Board of Directors Profile Matrix that allows to identify the desired skills and features for the Board and the fulfillment of said characteristics by its current members:

GRUPO NUTRESA S.A. BOARD OF DIRECTORS SKILLS MATRIX							
	Antonio Celia Martínez- Aparicio	Mauricio Reina Echeverri	Jaime Palacio Botero	Gonzalo Pérez Rojas	David Bojanini García	María Clara Aristizábal Restrepo	Cipriano López González
Has experience as a senior manager in stock exchange-listed companies with international presence	X			X	X	X	
Has experience in the food, beverage or tobacco sectors, or has knowledge on the industry			X	X	X		X
Has knowledge on (environmental, social or economic) sustainability matters	X	X	X	X	X	X	
Has experience in risk assessment and management	X	X		X	X	X	X
Contributes to the diversity of the Board	X	X				X	
Has a high-level academic background in financial, administrative or economic fields	X	X	X	X	X	X	X
Has analytical and managerial skills	X	X	X	X	X	X	X
Has the capability to assess management teams	X	X	X	X	X		X
Has knowledge or experience related to corporate governance	X			X	X		
Has knowledge or experience related to strategic planning	X	X	X	X	X	X	X
Has knowledge or experience related to innovation	X	X	X	X	X		X

**Curricula vitae of the Directors, including identification of the origin or background of each one of the members, committees they are part of, date of their first appointment and subsequent appointments:**

INDEPENDENT MEMBER



**MAURICIO REINA  
ECHEVERRI**



**JAIME ALBERTO  
PALACIO BOTERO**



**CIPRIANO LÓPEZ  
GONZÁLEZ**



**ANTONIO MARIO CELIA  
MARTÍNEZ-APARICIO**

NON-INDEPENDENT MEMBER



**MARÍA CLARA  
ARISTIZÁBAL RESTREPO**



**DAVID EMILIO  
BOJANINI GARCÍA**



**GONZALO ALBERTO  
PÉREZ ROJAS**



	ANTONIO MARIO CELIA MARTÍNEZ-APARICIO	JAIME ALBERTO PALACIO BOTERO	MAURICIO REINA ECHEVERRI	CIPRIANO LÓPEZ GONZÁLEZ
<b>CURRENT POSITION</b>		CEO, Coldeplast S.A.S. and Microplast S.A.S.	Associate Researcher, Fedesarrollo	
<b>ORIGIN</b>	Colombian	Colombian	Colombian	Colombian
<b>TYPE OF MEMBER</b>	Independent member	Independent member	Independent member	Independent member
<b>TYPE OF MEMBER</b>	<ul style="list-style-type: none"> <li>• Finance, Audit and Risks Committee.</li> <li>• Appointment and Remuneration Committee.</li> <li>• Corporate Governance and Board Matters Committee.</li> <li>• Strategic Planning and Sustainability Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance, Audit and Risks Committee.</li> <li>• Corporate Governance and Board Matters Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance, Audit and Risks Committee.</li> <li>• Appointment and Remuneration Committee.</li> <li>• Corporate Governance and Board Matters Committee.</li> <li>• Strategic Planning and Sustainability Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance, Audit and Risks Committee.</li> </ul>
<b>PRIOR EXPERIENCE</b>	<ul style="list-style-type: none"> <li>• CFO, Promigas S.A.</li> <li>• Executive Manager, Terpel del Norte.</li> </ul>	<ul style="list-style-type: none"> <li>• Associate Executive Director, Microplast S.A.</li> </ul>	<ul style="list-style-type: none"> <li>• Associate Director, Fedesarrollo.</li> <li>• Colombian Vice-Minister of Foreign Trade.</li> </ul>	<ul style="list-style-type: none"> <li>• CEO, Industrias Haceb.</li> <li>• Chief Commercial Operations Manager, Industrias Haceb.</li> <li>• Sales and Negotiation Executive Director, Bavaria S.A.</li> <li>• Negotiation Executive Director, Danone.</li> <li>• Chief Production Planning and Control Director, Imusa.</li> </ul>
<b>ACADEMIC BACKGROUND</b>	<ul style="list-style-type: none"> <li>• Degree in Engineering, Worcester Polytechnic Institute.</li> <li>• Executive studies at the MIT, Wharton (University of Pennsylvania), Universidad de Los Andes and London School of Economics.</li> </ul>	<ul style="list-style-type: none"> <li>• Degree in Business Administration, Universidad Eafit.</li> <li>• Management studies focused on marketing at Wharton (University of Pennsylvania).</li> <li>• Advanced training in packaging at the JICA (Japan).</li> </ul>	<ul style="list-style-type: none"> <li>• Degree in Economics, Universidad de los Andes.</li> <li>• Master's degree in Economics, Universidad de los Andes.</li> <li>• Master's degree in International Relations, Johns Hopkins University.</li> </ul>	<ul style="list-style-type: none"> <li>• Degree in Mechanical Engineering, Universidad Pontificia Bolivariana.</li> <li>• Master's degree in Business Administration, Bordeaux Business School.</li> <li>• Top Management and Strategic Leadership, Universidad de los Andes.</li> <li>• Advanced studies, Dartmouth College, Stanford University, Harvard University, Notre Dame University, Wharton, Johns Hopkins University and Singularity University.</li> </ul>
<b>DATES OF APPOINTMENT AND REELECTIONS</b>	Appointed for the first time in 2005 and reelected in 2007, 2009, 2011, 2013, 2015, 2016, 2017 and 2018.	Appointed for the first time in 2005 and reelected in 2007, 2009, 2011, 2013, 2015, 2016, 2017 and 2018.	Appointed for the first time in 2007 and reelected in 2009, 2011, 2013, 2015, 2016, 2017 and 2018.	Appointed for the first time in 2016 and reelected in 2017 and 2018.
<b>MEETINGS ATTENDED VS. HELD OVER THE YEAR</b>	11/12	12/12	12/12	12/12

	DAVID EMILIO BOJANINI GARCÍA	GONZALO ALBERTO PÉREZ ROJAS	MARÍA CLARA ARISTIZÁBAL RESTREPO
<b>CURRENT POSITION</b>	CEO, Grupo de Inversiones Suramericana S.A.	CEO, Suramericana S.A.	Head of the Real Estate Business, Grupo Argos S.A.
<b>ORIGIN</b>	Colombian	Colombian	Colombian
<b>TYPE OF MEMBER</b>	Non-independent member	Non-independent member	Non-independent member
<b>COMMITTEE PARTICIPATION</b>	<ul style="list-style-type: none"> <li>• Appointment and Remuneration Committee.</li> <li>• Corporate Governance and Board Matters Committee.</li> <li>• Strategic Planning and Sustainability Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Finance, Audit and Risks Committee.</li> </ul>	<ul style="list-style-type: none"> <li>• Strategic Planning and Sustainability Committee.</li> </ul>
<b>PRIOR EXPERIENCE</b>	<ul style="list-style-type: none"> <li>• CEO, Fondo de Pensiones y Cesantías Protección S.A.</li> <li>• Actuarial Manager, Suramericana de Seguros S.A.</li> </ul>	<ul style="list-style-type: none"> <li>• Insurance and Capitalization Executive Director, Suramericana de Seguros S.A.</li> <li>• Corporate Business Executive Director, Suramericana de Seguros S.A.</li> </ul>	<ul style="list-style-type: none"> <li>• Assistant to the CEO and Investor Relations Executive Director, Grupo Argos S.A.</li> <li>• Corporate Strategy Executive Manager, Grupo Argos S.A.</li> <li>• Economic Research Executive Director, Bolsa y Renta S.A.</li> </ul>
<b>ACADEMIC BACKGROUND</b>	<ul style="list-style-type: none"> <li>• Degree in Industrial Engineering, Universidad de los Andes.</li> <li>• Master's degree in Management focused on Actuarial Studies, University of Michigan.</li> </ul>	<ul style="list-style-type: none"> <li>• Law Degree, Universidad de Medellín.</li> <li>• Specialized insurance studies, Swiss Re.</li> </ul>	<ul style="list-style-type: none"> <li>• Degree in Economics focused on Mathematical Economics, Universidad Eafit.</li> <li>• Specialized studies in Finance, Universidad Eafit.</li> <li>• Specialized studies in Finance and Law, New York University.</li> <li>• Master's degree in Business Administration, New York University.</li> </ul>
<b>DATES OF APPOINTMENT AND REELECTIONS</b>	Appointed for the first time in 2005 and reelected in 2007, 2009, 2011, 2013, 2015, 2016, 2017 and 2018.	Appointed for the first time in 2007 and reelected in 2009, 2011, 2013, 2015, 2016, 2017 and 2018.	Appointed for the first time in 2013 and reelected in 2015, 2016, 2017 and 2018.
<b>MEETINGS ATTENDED VS. HELD OVER THE YEAR</b>	12/12	11/12	12/12



## Changes to the Board of Directors in 2018

In 2018, the Shareholders Assembly reelected for the April 2018-March 2019 term the same seven members who formed the Board from April 2017 to March 2018, namely:

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

In the Board of Directors meeting held on April 27, 2018, Mauricio Reina Echeverri was appointed as the new chairman of the Board and of all its support committees.

## Members of the parent company's Board of Directors included in the Boards of Directors of the subsidiary companies or who occupy executive positions in them

Grupo Nutresa has determined that its companies in Colombia shall be simplified stock companies without a board of directors as part of their administrative structure. Only those subsidiary companies in which Grupo Nutresa S.A. is not directly or indirectly the holder of 100% of their ownership interest have a board of directors.

In the case of the foreign companies, they have a board of directors formed by executive members if the local corporate regulations require the companies to have this kind of administrative body.

In 2018, none of the members of Grupo Nutresa S.A.'s Board of Directors was part of the boards of directors of the subsidiary companies that have such administrative body or occupied executive positions in them.

## Policies approved by the Board of Directors in 2018

No new policies were approved by the Board of Directors in 2018.

Over the past year, the Board of Directors and the Senior Management continued to support the execution of the Business Ethics Program, which has the purpose of promoting transparency and ethics in all companies.

All the policies approved in recent years are currently published on the Company's website and they can be found following these routes: [www.gruponutresa.com](http://www.gruponutresa.com) > Investors > Corporate Governance > Policies; and [www.gruponutresa.com](http://www.gruponutresa.com) > Investors > Corporate Governance > Code of Corporate Governance.

## Board of Directors members appointment process

The election of the Company's Directors was carried out by complying with the legal and statutory procedure established for such purpose. The procedure indicates that the election must be carried out by applying a voting quotient system, unless the appointment is made by unanimity of the votes corresponding to the total stock represented in the meeting.

For the ordinary meeting of the General Shareholders Assembly held on March 20, 2018, the shareholders presented only one list of candidates to form the Board of Directors, proposing the reelection of all the members who were part of the Board as of that date. The proposal was approved with the affirmative vote of 84,40% of the shareholders attending and represented in the meeting.

The list of candidates, complying with the provisions of the Shareholders Assembly Operation Rules, was submitted fifteen (15) days prior to the meeting. This allowed to verify that the nominated candidates met all the requirements demanded by the Code of Corporate Governance to be part of the Board and to be independent members, as the case may be.

Additionally, the Appointment and Remuneration Committee presented before the Board of Directors a report on the assessment and availability of the members whose reelection was proposed for forming the Board of Directors for the April 2018-March 2019 term. This report was part of the Proposals of Resolutions published on the Company's website fifteen (15) days prior to the date of the Assembly's ordinary meeting.



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

## Board of Directors remuneration policy

The remuneration of the Directors is approved every year in the ordinary meeting of the General Shareholders Assembly. In 2018, the General Shareholders Assembly established the professional fees for the members of the Board for the April 2018-March 2019 term.

The Company has a Board of Directors Remuneration and Assessment Policy that includes the guidelines for the definition of the compensation and any other economic benefit that would be granted to the Directors, and it also contains the criteria and procedures for assessing their management. The aforementioned policy is published on the Company's website and it can be found following this route: [www.gruponutresa.com](http://www.gruponutresa.com) > Investors > Corporate Governance > Policies.

**In compliance with said Policy, the expenditures related to the operation of the Board of Directors in 2018 were the following:**

Board of Directors expenditures in 2018 (COP)	
Professional fees	<b>908,565,000</b>
Training	-
Local travels	<b>3,571,531</b>
International travels	-
Other expenses	<b>10,527,358</b>
<b>Total</b>	<b>922,663,889</b>

Remuneration of the Board of Directors and the Senior Management according to both the Company's policies and the law

The Organization has a Corporate Committee Remuneration and Assessment Policy that includes the guidelines for the definition of the remuneration and all other economic benefits allocated to the members of the Corporate Committee, and it also contains the criteria and procedures for assessing their management.

The Corporate Committee is formed by Grupo Nutresa's CEO, the Presidents of the business units, Servicios Nutresa's CEO, Grupo Nutresa's CFO and the Vice-President, General Counsel and Corporate Secretary.

In 2018, the remuneration earned by the members of the Corporate Committee complied with the provisions of the Corporate Committee Remuneration and Assessment Policy.








An important component of the remuneration of the Company's Senior Management is the variable compensation. The Superior Achievement Acknowledgment System (abbreviated SRS in Spanish) has the purpose of acknowledging the superior achievement and the constant generation of value, and it comes from the profits shared by the shareholders with the employees who fulfill goals that contribute to the achievement of the Organization's strategic goals.

The SRS also has these purposes: aligning the Organization's goals with the shareholders' goals, finding higher levels of competitiveness, attracting and retaining human talent, stimulating both individual and team work, promoting high performance and people's contribution, encouraging leaders to think strategically in the long term, and giving meaning to the performance management and to the dialog between leaders and subordinates in the context of goal fulfillment.

The variable compensation of the Corporate Committee members represented 15,66% of their remuneration in average in 2018.



The main indicators considered for the calculation of the variable compensation of the Corporate Committee members in 2018 were the following:

STRATEGIC GOALS	INDICATORS	SCOPE	GOAL	AVERAGE WEIGHT IN THE SRS
 <b>Profitable growth</b>	Atlas savings	Grupo Nutresa	COP 54.815 MM	20%
	EBITDA	Grupo Nutresa	COP 1.223.900 MM	
	ROIC	Grupo Nutresa	9,4%	
	Net profit	Grupo Nutresa	COP 506.500 MM	
	Net sales	Grupo Nutresa	COP 9.463.300 MM	
 <b>Market growth and leadership</b>	Market growth	Grupo Nutresa	4,4%	10%
	Market share	Grupo Nutresa	46,6%	
 <b>Development of our people</b>	Organizational climate	Grupo Nutresa	83,2%	10%
 <b>International expansion</b>	Sales in the strategic region	Grupo Nutresa South Region + North Region	USD 747.633	15%
 <b>Effective innovation</b>	Sales of new products	Grupo Nutresa	17,8%	10%
 <b>Customer satisfaction</b>	Service level	Grupo Nutresa	97,3%	10%
	Customer service survey	Servicios Nutresa	79,9%	
 <b>Sustainability</b>	Grupo Nutresa DJSI improvement	Health and nutrition Innovation management Tax strategy Corporate governance Codes of conduct	99,9%	10%
	Sustainability gap-bridging matrix	Grupo Nutresa	79,9%	

The following are the details of the main environmental indicators that were part of the Sustainability Plan and that were considered for the calculation of the variable compensation of the Corporate Committee members in 2018:

Indicator	Environmental	2018 goal
<b>Implementation of the Sustainability Plan</b>	Water consumption (m <sup>3</sup> /t.p.)	-28,7%
	Energy consumption (kWh/t.p.)	-16,7%
	GHG (CO <sub>2</sub> e/t.p.)	-33%%
	Waste generation (kg of waste/t.p.)	-4,7%
	Packaging materials (kg of P.M./t.p.)	0,8%
	Solid waste recovery	90%
	Use of cleaner energies	99%

## Board of Directors Quorum

The Organization's articles of association stipulate that the Board of Directors shall be able to officially hold a meeting and deliberate with the presence of four (4) of its members. All the Board of Directors meetings held in 2018 had the necessary quorum for being official and for the members to be able to make valid decisions.

The record of attendance of the Board members to the meetings held over the year is permanently published on the Company's website: <https://www.gruponutresa.com/en/junta-directiva/>

## Record of attendance to the Board of Directors meetings and to the support committees

The following chart contains the details of the Board members' attendance to the ordinary meetings in 2018:

GRUPO NUTRESA S. A. BOARD OF DIRECTORS ATTENDANCE TO MEETINGS IN 2018	JANUARY 26	FEBRUARY 22	MARCH 20	APRIL 27	MAY 25	JUNE 22	JULY 27	AUGUST 31	SEPTEMBER 28	OCTOBER 26	NOVEMBER 30	DECEMBER 14
MAURICIO REINA ECHEVERRI	X	X	X	X	X	X	X	X	X	X	X	X
ANTONIO MARIO CELIA MARTÍNEZ-APARICIO	X	X	X		X	X	X	X	X	X	X	X
DAVID BOJANINI GARCÍA	X	X	X	X	X	X	X	X	X	X	X	X
MARÍA CLARA ARISTIZÁBAL RESTREPO	X	X	X	X	X	X	X	X	X	X	X	X
GONZALO ALBERTO PÉREZ ROJAS	X	X	X	X	X	X	X	X	X	X	X	
JAIME ALBERTO PALACIO BOTERO	X	X	X	X	X	X	X	X	X		X	X
CIPRIANO LÓPEZ GONZÁLEZ	X	X	X	X	X	X	X	X	X	X	X	X

 Absent

 Participated via video-conference for being abroad

## The following is a summary of the support committees members' attendance to the corresponding meetings in 2018:



**Finance, Audit and Risks Committee:**  
Its members attended 88% of the meetings.



**Appointment and Remuneration Committee:**  
All its members attended 100% of the meetings.



**Corporate Governance and Board Matters Committee:**  
All its members attended 100% of the meetings.



**Strategic Planning and Sustainability Committee:**  
All its members attended 100% of the meetings.

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In 2018, Fitch Ratings confirmed the AAA rating (Col.), **with a stable outlook**, of the ordinary bonds issued by Grupo Nutresa in August 2009.

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### **Chairman of the Board of Directors (duties and key aspects)**

The Chairman of the Organization's Board of Directors has important responsibilities related to the adequate operation of this administrative collegiate body, and performs as the leader of the independent members and heads the meetings they must hold over the year.

The following are some of the most relevant duties of the Chairman of the Board of Directors:

- Ensuring the Board of Directors establishes and efficiently implements the strategic plans for the Company.
- Coordinating and planning the operation of the Board of Directors by defining a yearly work plan (which should be approved by the Board) that would allow to orderly establish the strategic matters that will be addressed throughout the year and that facilitates the definition of a reasonably necessary number of ordinary meetings and their estimated duration.
- Watching over the execution of the Board of Directors agreements and monitoring the corresponding assignments and decisions.
- Monitoring the active involvement and participation of the Board of Directors members.
- Providing advise to the Company's CEO when requested.
- Acting as the representative of the Board of Directors independent members.

Throughout the entire term, the Board Chairman satisfactorily fulfilled all the corresponding tasks and duties of his position.

### **Secretary of the Board of Directors (duties and key aspects)**

In 2018, the Secretary of the Board fulfilled all the responsibilities established for such position in the Company's bylaws. The Secretary attended 100% of the Board meetings held over the year, supported the Company's CEO by watching over the adequate operation of the Board and kept, pursuant to the law, the minute books of both the Shareholders Assembly and the Board of Directors, duly recording in them the developments of the sessions.

The Secretary of the Board and the Company's CEO jointly presented to the Chairman of the Board the agenda for the sessions that would be held in 2019, as well as the top priority matters that should be addressed in each meeting of both the Board and its support committees.

### **Relations of the Board of Directors with the Tax Auditor, the financial analysts, the investment bankers and the rating agencies in**

In the term reported, the Tax Auditor sustained the due interaction with the Board and fulfilled the corresponding responsibilities. In accordance with the provisions of the Operation Regulations of the Finance, Audit and Risks Committee, the Tax Auditor attended all the meetings of the committee.

Additionally, in April 2018, the Company presented to the risk rating agencies the progress achieved in relation to its strategy, its global results and its business units throughout 2017. In May 2018, Fitch Ratings confirmed the AAA rating (Col.), with a stable outlook, of the ordinary bonds issued by Grupo Nutresa in August 2009.



## External consultancy received by the Board of Directors

Throughout 2018, Suramericana de Seguros organized and led the Trend and Risk Management Workshop, which was held in several sessions of the Board of Directors on the one hand, and in the meetings of the Corporate Committee on the other. The purpose of this workshop was to provide both the Senior Management and the Board with an additional tool for designing, implementing and monitoring the strategic plan.

## Information management by the Board of Directors

In compliance with the provisions of the Company's Code of Corporate Governance, the Board members received, at least five (5) days in advance, the information related to the matters addressed in each one of the meetings held in 2018.

## Activities of the Board of Directors committees

The Board has four (4) support committees formed exclusively by Directors:

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

All the committees are chaired by the Chairman of the Board of Directors, who is an independent member, and in 2018 the committees supported the Board by fulfilling all their tasks and duties.

The Finance, Audit and Risks Committee is formed by five (5) members, four (4) of whom are independent members:

- **Antonio Mario Celia Martínez-Aparicio**  
(Independent member)
- **Mauricio Reina Echeverri**  
(Independent member)
- **Jaime Alberto Palacio Botero**  
(Independent member)
- **Cipriano López González**  
(Independent member)
- **Gonzalo Alberto Pérez Rojas**  
(Non-independent member)

In 2018, this Committee analyzed the performance of the tax auditing firm in 2017 and its offer for 2018. Also, the Committee presented in the March 2018 General Shareholders Assembly meeting a proposal to re-elect PWC as Tax Auditor for the April 1, 2018-March 31, 2019 term. Additionally, the Committee monitored and analyzed the work plan for the Company's comprehensive risk management, and verified and approved the fulfillment of the 2018 internal audit plan.

The Appointment and Remuneration Committee is formed by three (3) members, two (2) of whom are independent and one (1) is non-independent:

- **Antonio Mario Celia Martínez-Aparicio**  
(Independent member)
- **Mauricio Reina Echeverri**  
(Independent member)
- **David Emilio Bojanini García**  
(Non-independent member)

According to the training plan proposed by the Appointment and Remuneration Committee for 2017 and 2018, in relation to the strengthening opportunities identified in the report of the analysis conducted by Prospecta, in 2018 the Board of Directors received training in risk management by means of several sessions of the Trend and Risk Management Workshop organized and led by Suramericana de Seguros.

Additionally in 2018, the Committee analyzed each one of the requirements established in the Code of Corporate Governance for a person to become a Board member, as well as the independence criteria with regard to each one of the candidates nominated for becoming part of the Board for the April 2018-March 2019 term. As a result of this analysis, the Committee concluded that the following members met the requirements for being independent Board members: Antonio Celia Martínez-Aparicio, Jaime Palacio Botero, Mauricio Reina Echeverri and Cipriano López González.

The same analysis regarding Mr. David Emilio Bojanini García, Mr. Gonzalo Pérez Rojas and Ms. María Clara Aristizábal Restrepo resulted in the conclusion that these members are non-independent.

The aforementioned analysis was included in the proposals of resolutions that were published on the Company's website fifteen (15) days prior to the meeting in which the Board members were elected, and it can be consulted through the following link: <https://s3.amazonaws.com/grupo-nutresa/wp-content/uploads/2016/03/13150226/2018-26-02-Propuestas-de-acuerdo-2018.pdf>

The Corporate Governance and Board Matters Committee is formed by four (4) Board members, three (3) of whom are independent members:

- **Antonio Mario Celia Martínez-Aparicio**  
(Independent member)
- **Jaime Alberto Palacio Botero**  
(Independent member)
- **Mauricio Reina Echeverri**  
(Independent member)
- **David Emilio Bojanini García**  
(Non-independent member)

In 2018, this Committee monitored the results of the Dow Jones Sustainability Index, the progress of the Business Ethics Program (abbreviated PEE in Spanish) and all other indicators through which the performance of the Company was assessed in terms of corporate governance over the year.

The Strategic Planning and Sustainability Committee is formed by four (4) Board members, two (2) of whom are independent members. It discussed and analyzed matters related to the strategy of the business group's companies. In June 2018, the Committee met to address matters related to Grupo Nutresa's management system and sustainability plans. It also analyzed the gap-bridging plan, which consists mainly in reducing food loss and waste and strengthening the sustainable sourcing. In September, the Committee organized a special strategic planning session, which included the support of a group of experts from Suramericana de Seguros, who led the Trend and Risk Management Workshop. In this last meeting, the Committee defined the supplies that were used as the basis for the Corporate Committee's strategic planning meeting, which was held in October 2018.

This Committee is formed by the following members:

- **Antonio Mario Celia Martínez-Aparicio**  
(Independent member)
- **Mauricio Reina Echeverri**  
(Independent member)
- **David Emilio Bojanini García**  
(Non-independent member)
- **María Clara Aristizábal Restrepo**  
(Non-independent member)

### Information on the execution of the processes related to the assessment of both the Board of Directors and the Senior Management, and summary of the corresponding results

In 2018, the Board of Directors conducted its annual self-evaluation in order to assess the qualities, attributes and experience of the Board itself and its Support Committees, and several improvement opportunities were also identified. The results were analyzed by the Corporate Governance and Board Matters Committee.

In 2018, the Board of Directors received a training session addressing risk management matters, fulfilling the improvement plans implemented by the Board in the context of the results of the external and independent assessment of the Board's management and performance conducted in 2016 by the firm A.T. Kearney. The members of the Suramericana de Seguros team of experts, who were also leading the Trend and Risk Management Workshop, were invited to the annual strategic planning session.









Members of the Tresmontes Lucchetti Business Ethics Committee, Chile.

## Powers of the Board of Directors over the transactions with related parties and situations of conflicts of interest

The Company has a Policy on Transactions between Related Parties that defines the scope and the procedure for the assessment, approval and disclosure of the transactions carried out between Grupo Nutresa's related parties.

This policy indicates that the Finance, Audit and Risks Committee is in charge of the knowledge and assessment of the transactions between Grupo Nutresa's related parties and that this Committee must submit a report on the conclusions of the corresponding assessment to the Board.

Additionally, the policy stipulates that all the transactions between Grupo Nutresa's related parties must be carried out under market conditions and need to be approved by the Board of Directors, with the exclusion of the interested party, if it is the case. When there is a relevant transaction that is not carried out under market conditions, and that could eventually end up altering the fairness of treatment among the shareholders, and if its volume or complexity are significant enough, the transaction has to be approved by the General Shareholders Assembly.

The Board's approval of the relevant transactions between related parties requires, additionally to the report from the Finance, Audit and Risks Committee, a qualified majority formed by the affirmative vote of three quarters of the Board and the affirmative vote from the Independent Members.

None of the transactions conducted in 2018 between related parties required the approval from the Board of Directors or from the General Shareholders Assembly.

## Details of the most relevant transactions for the Company involving related parties, including the transactions among the business group's companies

The transactions involving related parties and among Grupo Nutresa's companies performed in 2018 through agreements or contracts were recurring transactions typical of the ordinary course of the Company's business. Said transactions were conducted complying with the general guidelines established in the Code of Corporate Governance and the Policy on Transactions between Related Parties in that context. Said guidelines stipulate, in general, that all the aforementioned transactions should be performed under market conditions.

None of the transactions conducted in 2018 were focused on benefiting third parties or negatively affected the interests of the shareholders. All said transactions were performed fulfilling the corporate goals of the ordinary course of the businesses of the companies involved, abiding by the guidelines established in the Code of Corporate Governance and in the Organization's policies.

As a general rule, and according to the Policy on Transactions between Related Parties, there should be no conflicts of interest among Grupo Nutresa's companies due to the fact that all of them pursue the same unity of purpose and direction determined by Grupo Nutresa S.A. as the parent company.

The details of the business transactions carried out between related parties in 2018 are included in the notes to the Company's Financial Statements, and the characteristics and amounts of the transactions executed among Grupo Nutresa's companies are included in the Business Group's Special Report.

## Conflicts of interest that have occurred and performance of the members of the Board of Directors

The Company has a Committee of Ethics, Transparency and Conflicts of Interest that watches over the compliance with the Code of Corporate Governance and, especially, with the provisions of the chapter on “Rules of Conduct for Executives and Employees.”

The Committee is formed by the Company’s CEO, CFO and General Counsel and Corporate Secretary Vice-President, and it has, among other, the following duties:

- Watching over the compliance with the rules of conduct established in the Code of Corporate Governance, especially the ones stipulated in the chapter on “Rules of Conduct for Executives and Employees.”
- Analyzing and making decisions about possible conflicts of interest.
- Having knowledge about any situation that, due to its characteristics, could clash with the interests of the Company and/or of any of the business group’s companies.

The Directors, the legal representatives and all other executive managers of the Company should inform the Committee about the direct or indirect relations there are among them or with other organizations or structures of the business group, with Grupo Nutresa S.A., or with suppliers, customers or any other related party, from which conflict of interest situations could arise or have influence over the direction of their opinions, vote or decisions.

In 2018, the Committee of Ethics, Transparency and Conflicts of Interest analyzed and addressed more than 700 cases related to possible conflicts of interest between employees and executives from the business group’s companies. The cases were settled taking measures that allowed to protect the interests of the Organization.

One hundred and twenty-eight cases of violations against the Code of Corporate Governance were reported through the Ethics Hotline and other means available in the Company. These cases were addressed by each one of the corresponding companies with support from the Internal Audit Management Office in some occasions. All the cases were investigated and, in those that were confirmed, the decision was to terminate the employment contract of the employees involved. The applicable legal actions were started in each case, and none of them represented a significant damage for the Company.

## Mechanisms for resolving conflicts of interest between the business group’s companies, and their application during the reported term

The Company has an institutional relations reference framework that has the purpose of aligning the interest of the business group with the interests of all the companies that form it. This reference framework can be found at the Company’s website:

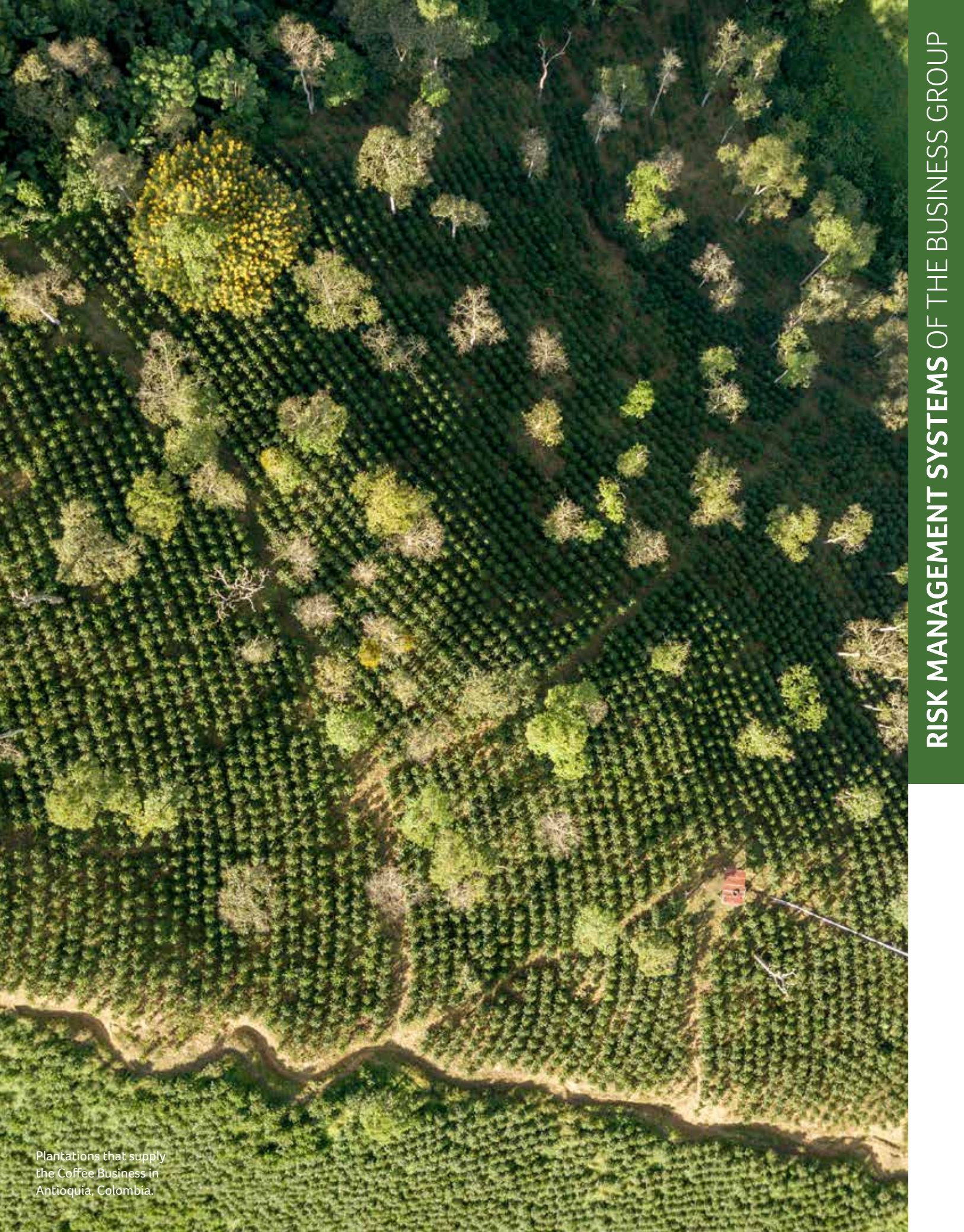


[read more](#)

The mechanisms for resolving possible conflicts of interest between the companies that form the business group are established in the Code of Corporate Governance of each company.

In 2018, there were no conflicts of interest between any of the business group’s companies. All the transactions carried out among the companies that are 100% owned by Grupo Nutresa S.A. and those with minority shareholders were conducted under market conditions. And the transactions carried out between companies that do not include minority shareholders were part of the development of synergies approved by Grupo Nutresa S.A. as the parent company of the business group and in alignment with the unity of purpose and direction that governs the operations of all the companies that form the business group.





Plantations that supply  
the Coffee Business in  
Antioquia, Colombia.



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Grupo Nutresa **has a comprehensive risk management system that covers all the businesses and instances of the Organization.**

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### **Explanation of the business group's Internal Control System and the modifications it underwent in 2018**

Within the framework of its corporate governance model, the Company has taken on the best practices for the design, implementation and monitoring of the internal control system. This system includes, among other components, the necessary resources to guarantee the safekeeping of the Company's assets, the efficiency of its operations, the compliance with the applicable laws and regulations, and the accuracy and reliability of the information required to plan, direct, control and measure the performance of its businesses, and to ensure an adequate disclosure of the financial information to its shareholders and other investors, as well as to the market and the general public.

These resources include comprehensive risk management processes, the internal audit, accountability systems, control plans and programs, budget and cost tools, an account chart, standardized policies and procedures, integrated information systems and templates for documenting and recording operations, as well as indicator dashboards for the Senior Management to continuously monitor the processes.

For the management of the resources related to the internal control system, the Company relies on the duties and responsibilities in terms of internal control and risk management of the Board of Directors, its Finance, Audit and Risks Committee, the Senior Management, as well as the Internal Audit Management and the Risk, Insurance and Infrastructure Management Departments of Servicios Nutresa (which operates as a shared

service center for all of Grupo Nutresa's companies).

These duties and responsibilities are described in the Code of Corporate Governance and in several of its related policies, such as the Comprehensive Risk Management Policy, the Anti-Fraud and Anti-Corruption Policy and the Management Policy for the Prevention and Control of the Risk of Asset Laundering and Terrorism Financing, as well as in the Internal Audit Bylaws, which can all be found at Grupo Nutresa's website.

Moreover, the management of the internal control system is ensured through the job executed by the Tax Auditor, which is performed by a specialized firm that is widely recognized in the industry and has been appointed by the General Shareholders Assembly. Based on a constructive analysis outline and on independence of both operation and criterion, the Tax Auditor verifies and publicly certifies the compliance with the legal, statutory and administrative regulations; the adequate protection, use and preservation of the Company's assets; and the reasonableness of the financial statements and the disclosures contained therein, generating assurance among the shareholders, the Board of Directors, the Senior Management and the Government.

With the purpose of guaranteeing an adequate management of the risks inherent to the performance of its operations, Grupo Nutresa has a comprehensive risk management system that covers all the businesses and instances of the Organization: from the Board of Directors, through its Finance, Audit and Risks Committee; to the operating departments, through the integrated management systems, among others.

Additionally, the system includes both the Policy and Manual for Comprehensive Risk Management, which are aligned with the ISO 31000 standard, whose latest version was published in 2018. The necessary analysis for aligning the internal methodology and the proposed changes was conducted based on said latest version of the standard. Both the Policy and Manual provide the general framework and guidelines for the development of the risk assessment and mitigation processes. To facilitate these activities, Servicios Nutresa's Risk, Insurance and Infrastructure Management Department enables and supports Grupo Nutresa's companies in the implementation of the process through the proposal and disclosure of risk management methodologies, communication, monitoring and culture-building, and through the design and implementation of effective plans and measures for dealing with the risks.

The Internal Audit Department, through an independent and comprehensive assurance management process, verifies the achievement of the Organization's goals and objectives in all processes and watches over the adequate protection, use and conservation of the assets. To guarantee the independence of the internal auditors, allowing them to perform their job freely and objectively, they have the support of the Internal Audit Manager, who is in turn functionally dependent on Grupo Nutresa's Finance, Audit and Risks Committee. Currently, Grupo Nutresa's internal audit is certified by the Institute of Internal Auditors —IIA Global— based on its international framework for professional practice. This framework is a benchmark recognized by global organizations such as the OECD, the IMF and the World Bank, and it is applicable in more than 190 countries worldwide.

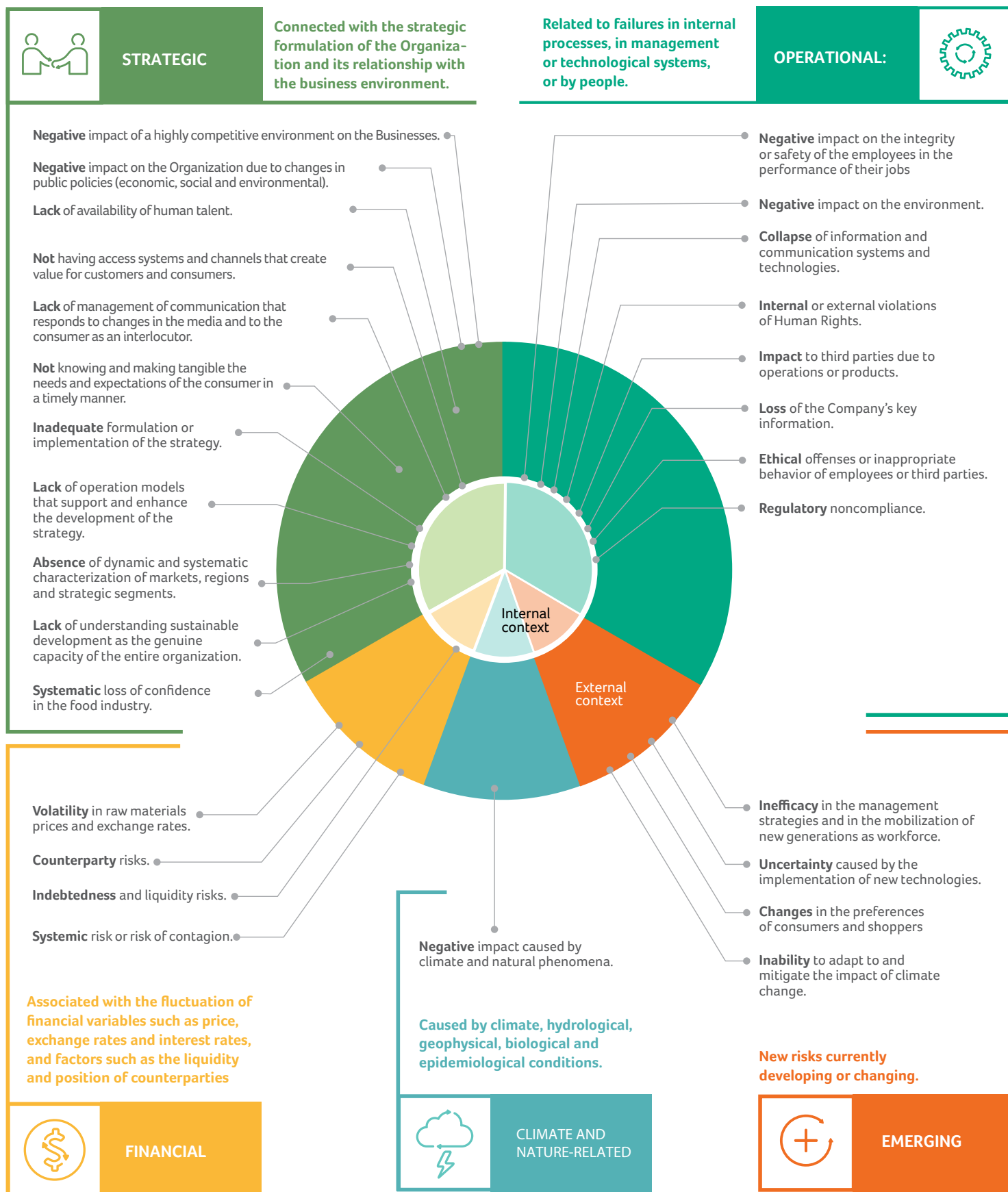
In 2018, the results of the Senior Management's continuous monitoring activities and of the independent assessments carried out by the Internal Audit Department and by the Tax Auditor were communicated in each case in a timely manner to the corresponding authorities, including the Finance, Audit and Risks Committee, thus allowing to confirm that the Organization's internal control system is adequate. Based on the aforementioned activities, it was also reported that, over the year, there were no significant deficiencies in the design and operation of said system that could have prevented the achievement of its objectives. Furthermore, no fraud cases were identified with a significant effect on Grupo Nutresa and its businesses.

### **Description of the risk policy and how it was applied in 2018**

The risk policy stipulates the comprehensive risk management purpose within Grupo Nutresa's context and strategy, and it defines the general criteria and main elements for its implementation, monitoring and continuous improvement. The risk policy includes the description of the methodology flowchart and stages, the criteria for the assessment and construction of risk maps, the risk catalog, the process planning cycle, and the tools defined for its management, as well as the details for the application of the ISO 31000 standard, which is used as a key reference.

**The methodology comprises the stages for establishing the context, identification, analysis, assessment and addressing of current and emerging risks through efficient and sustainable measures. The purpose of these stages is to prevent the risk events from occurring and, in case of materialization, to mitigate the possible negative impact on the environment and on the Organization's human, financial, reputational and information resources, thus allowing to ensure the continuity of its operations.**

In the application of this policy in 2018, the Organization performed the yearly update of its risk maps for Grupo Nutresa's eight (8) business units, the marketing companies and the shared services centers. Additionally, the risk matrices were prepared and updated at the tactical (company-based) level both in Colombia and abroad; more than 22.300 risk assessments were performed and self-managed through the comprehensive risk management tool, at the strategic, tactical and operational levels, including financial, strategic, operational, Human Rights and environmental risks across the entire region; and more than 2.000 employees received training through 120 workshops focused on risk, crisis and operational-continuity management. As a result, the corporate risk catalog was updated, totaling 24 risks for the entire business group in the following categories:





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In 2018, the Company was acknowledged for having **high standards in the field of the fight against corruption** based on the criteria of the Active Anti-Corruption Company Management Committee (EAA) - Businesses with Principles, an initiative led by the Transparency Secretariat of the Colombian Government.

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### Materialization of risks in 2018

In 2018, both external and internal events occurred, representing the materialization of risks for the Organization.

The external events were mainly related to changes in public policies in the economic, social or environmental contexts in the countries where Grupo Nutresa operates and to the effect of the highly competitive setting in the industry. The risks that materialized had been previously identified and assessed in accordance with the comprehensive risk management methodology. Therefore, the Organization had all the corresponding management measures in place, allowing to mitigate the impact of the events within the risk appetite limits defined by the Company.

Employee  
from Opperar,  
Colombia.

## Response and supervision plans for the main risks

Based on the corporate risk assessment performed in 2018, Grupo Nutresa identified the main risks related to the operation of its businesses according to their materialization probability and their impact on the strategic goals. Then, the Organization defined management and mitigation measures as described below:

### MAIN RISKS

Volatility in commodity prices and exchange rates.

Negative impact of a highly competitive environment on the Businesses.

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

### MITIGATING ACTIONS

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

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

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

Employees at the extraction area of the production plant in Ibagué, Colombia.

In 2018, the Company's Board of Directors led the supervision of the Comprehensive Risk Management process. And the Finance, Audit and Risks Committee periodically informed and reported the progress on the implementation of Grupo Nutresa's Comprehensive Risk Management Policy, ensuring thus that the main risks, both financial and non-financial, balanced or off-balance, were adequately identified, managed and communicated. Moreover, from this governance instance, the adoption of a new model was started with the aim of analyzing and managing trends and risks. This new model will be propagated to all of Grupo Nutresa's Businesses in 2019.

## Business Ethics Program

In 2018, the advertising stage of the Business Ethics Program was implemented through the communication and training strategy called "Actúo Íntegramente" (I act with integrity), which included the execution of the following measures:

1

### In-person and virtual courses:

- a) I act with integrity because I do trustworthy business. A total of 16.037 employees from all of Grupo Nutresa's companies participated in this course.
- b) I act with integrity because I know and apply the Code of Corporate Governance. A total of 16.320 employees from all of Grupo Nutresa's companies participated in this course and 718 possible conflicts of interest were reported.
- c) I act with integrity because I respect the Human Rights. A total of 9.898 employees from all of Grupo Nutresa's companies participated in this course.
- d) I act with integrity when I eliminate biases in the recruitment processes. A total of 30 employees from all of Grupo Nutresa's companies participated in this course.
- e) I act with integrity because I ensure information security. A total of 676 employees from all of Grupo Nutresa's companies participated in this course.

2

### Comic strips:

- a) Comic strip focused on fraud prevention.
- b) strip dealing with matters related to the prevention of conflicts of interest.
- c) Comic strip addressing offerings and gifts.
- d) Comic strip on confidential information.
- e) Comic strip focused on corruption prevention.
- f) Comic strip about doing reliable businesses.
- g) Comic strip related to the matter of belief discrimination.
- h) Comic strip regarding the prevention of transnational bribery.

In 2018, and after having evaluated the Business Ethics Program and its communication strategy "Actúo Íntegramente" (I act with integrity), the Company was acknowledged for having high standards in the field of the fight against corruption. The acknowledgment was based on the criteria of the Active Anti-Corruption Company Management Committee (EAA) - Businesses with Principles, which is an initiative led by the Colombian Government's Transparency Secretariat that, in its third edition, sought to keep increasing the capacity of the private sector to identify and prevent acts of corruption. As a result of this recognition, the Company was included in the registry of Active Anti-Corruption Companies.







Coffee seedbed nursery  
in the Farallones Benefit  
Central, Colombia.

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The company has established Shareholders Assembly **operation rules** that surpass the minimum quorum regime stipulated by the current applicable legal regulations in Colombia

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**Differences in the operation of the Assembly between the minimum quorum regime of the currently applicable legal regulations and the one defined in the bylaws and rules of the Company's Assembly**

The Company has established Shareholders Assembly operation rules that surpass the minimum quorum regime stipulated by the currently applicable legal regulations in Colombia. Among such rules, the following stand out:

- The implementation of broader prior notice terms for summoning the shareholders to the Assembly meetings: thirty (30) common days for the ordinary meetings and fifteen (15) common days for the extraordinary meetings.
- In addition to the traditional and mandatory means established by the law, the Company must publish the summons to the Shareholders Assembly meeting on its website. Additionally, the Organization must publish all the documents and information related to each one of the matters included in the agenda in order to provide the shareholders with timely and unabridged information, allowing them to make decisions and to exercise the right to request additional information or clarifications in advance according to the procedure established in the Assembly Operation Rules.
- Simultaneously to the summons or, at least, fifteen (15) common days prior to the meeting, the Proposals of Resolutions for each matter included in the agenda must be made available to the shareholders.
- The agenda proposed by the Board of Directors for the meetings must contain the details of the matters that will be submitted for the consideration of the shareholders, thus preventing the most important matters from being hidden or concealed under generic mentions.
- A clear and simple mechanism was established with the purpose of allowing the shareholders, regardless the size of their ownership interest, to propose the inclusion of one or more matters into the agenda.
- The shareholders can also submit, in a duly grounded manner, new Proposals of Resolutions about matters previously included in the agenda.

**Measures implemented in 2018 to promote the participation of the shareholders**

The Company's Code of Corporate Governance and bylaws include corporate governance measures that facilitate the participation and communication between the shareholders and the Company.

Some of the most relevant measures include mechanisms that enable the shareholders to: i) commission the execution of specialized audits; ii) demand the fulfillment of the provisions established in the Code of Corporate Governance before the Board of Directors; iii) ensure a fair treatment of all shareholders; iv) monitor the internal control systems; v) request to summon the shareholders to an extraordinary Assembly meeting in the applicable cases and complying with the stipulated conditions; vi) submit proposals for the election of the Board members or the Tax Auditor; vii) demand the Tax Auditor to disclose to the shareholders the relevant findings encountered in the exercise of the corresponding legal and statutory capacities; and viii) submit proposals to the Board of Directors with prior fulfillment of the established requirements.

The Shareholders Assembly Operation Rules contain procedures that allow the shareholders to propose new matters for the agenda of the Assembly meeting, present new Proposals of Resolutions, and request clarifications or additional information related to the matters that will be addressed in the Assembly meetings, among other aspects.



Employees from Chocolates Business in Medellín, Colombia.

## Information for the shareholders and communication with them

Grupo Nutresa has multiple communication channels available to its investors, shareholders and all other stakeholders. Through these channels, the Company disclosed in a timely, clear, transparent and reliable manner all the information related to the performance of its businesses, outlook, risks and opportunities.

The communication mechanisms used by the Organization in 2018 were the following:

- Relevant information ([www.superfinanciera.gov.co/InformacionRelevante](http://www.superfinanciera.gov.co/InformacionRelevante)).
- Management report of both the CEO and the Board of Directors, presented to the Shareholders Assembly in the ordinary meeting.
- Corporate website ([www.gruponutresa.com](http://www.gruponutresa.com)), on which the Organization permanently and timely publishes all the information of interest for the shareholders, investors and the market in general in friendly formats. The website allows to continuously monitor the results of the Company and its businesses, it contains information related to the corporate governance, and it provides real-time access to the news, statements, announcements, relevant information and the behavior of the Company's stock.
- Deceval: as the keeper of the Company's Shareholders Registry Book, it is in charge of answering questions and clarifying concerns related to stock exchange and over-the-counter operations, payment of dividends and certificates, among other.
- Investor Relations Support Department, which receives and resolves the requests and queries submitted by the institutional investors. It is the permanent communication channel between the capital market and the Company.
- Official twitter account (@grupo\_nutresa), which the Company uses to share news and relevant performance-related information with the market.
- Quarterly bulletin for shareholders, which includes the results of the quarter and a summary of the accrued totals of each one of Grupo Nutresa's companies and their businesses. Additionally, the bulletin includes news about the market, the businesses and new products, as well as information regarding the behavior of the stock.
- Quarterly results conference call with the investors.

With the Information Disclosure Policy, the Organization took on the commitment to disclose to the stock market all the information that would be of interest so that the investors can decide whether to purchase, sell or keep the securities issued by the Company.



## Number of requests and matters about which the shareholders have requested information to the Company

The Investor Relations Support Department held several conferences for investors in diverse markets around the world with the purpose of explaining Grupo Nutresa's business model, answering questions, and giving response to the information requests from current or potential investors. This coverage, which is frequently provided in the main markets, was supplemented with non-deal road

shows in specific markets, by answering calls from investors, and with visits to the production plants or to the market guided by the Company.

In 2018, Grupo Nutresa had presence in 20 events around the world, through which it established contact with more than 173 representatives of both international and local investment funds. The Company answered more than 64 calls and held 81 visits and meetings in which questions from investment funds, shareholders and investors were answered.

## The operational management actions performed via Deceval in 2018 was the following:

### OPERATIONAL MANAGEMENT — GRUPO NUTRESA S. A. STATISTICS — SUPPORT PROVIDED TO SHAREHOLDERS IN 2018

#### SUMMARY BY SUPPORT SERVICE CHANNEL

	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL 2018
WRITTEN REQUESTS	23	10	5	21	23	10	6	8	4	10	3	23	146
CONTACT CENTER MANAGEMENT	16	23	44	70	33	12	37	37	45	7	4	7	335
IN-PERSON SUPPORT	11	12	12	26	14	1	8	8	2	5	2	5	106
<b>TOTAL</b>	<b>50</b>	<b>45</b>	<b>61</b>	<b>117</b>	<b>70</b>	<b>23</b>	<b>51</b>	<b>53</b>	<b>51</b>	<b>22</b>	<b>9</b>	<b>35</b>	<b>587</b>

#### SUMMARY BY TYPE OF REQUEST

	Jan.	Feb.	Mar.	Apr.	May.	Jun.	Jul.	Aug.	Sept.	Oct.	Nov.	Dec.	TOTAL 2018
CHANGE OF DEPOSITOR	10	4	2	5	10	3	4	3	1	3	2	7	54
SPECIAL OPERATIONS	8	7	4	11	8	1	-	3	2	7	3	9	63
DATA UPDATE	2	-	1	-	5	1	-	-	-	-	-	-	9
ISSUER REQUESTS	8	3	-	5	4	3	1	2	3	2	1	4	36
DIVIDENDS	5	7	4	30	6	3	11	2	4	5	-	7	84
SECURITIES CERTIFICATES	1	3	-	-	2	-	-	-	1	-	-	-	7
TAX RETURNS CERTIFICATES	2	8	37	53	24	7	30	27	27	1	-	-	216
OTHER CERTIFICATES	1	1	-	1	-	-	-	2	-	1	1	2	9
GENERAL INFORMATION	5	6	10	10	10	4	5	13	8	-	2	5	78
PURCHASE/SALE PROCESS	4	1	-	2	1	1	-	1	-	1	-	-	11
SERVICE ASSISTANCE	4	5	3	-	-	-	-	-	5	2	-	1	20
<b>TOTAL</b>	<b>50</b>	<b>45</b>	<b>61</b>	<b>117</b>	<b>70</b>	<b>23</b>	<b>51</b>	<b>53</b>	<b>51</b>	<b>22</b>	<b>9</b>	<b>35</b>	<b>587</b>



Employees from Cold Cuts Business in Cali, Colombia.

## Shareholders Assembly meeting attendance data

The ordinary meeting of the Shareholders Assembly was held on March 20, 2018, at 10:00 a.m. at the Grand Assembly Hall in the Plaza Mayor Exhibitions and Conventions Center in Medellín.

On January 26, 2018, the Board of Directors ordered to summon the ordinary meeting and that same day the summons was published as relevant information on the website of the Financial Superintendence. The summons, including the full list of all the agenda matters of the meeting, was communicated by the Company CEO through an ad published on a high-circulation nationwide newspaper on February 11, 2018, that is twenty-five (25) working days (thirty-six [36] common days) in advance of the meeting (excluding the day of the summons and the day of the meeting).

In addition, it was made available to the shareholders and all other stakeholders since February 26 on the Company's website along with the corresponding agenda, the management report, the financial statements, the Tax Auditor's verdict and the profit distribution project.

All the documents required by law were also made available to the shareholders at the address Carrera 52 No. 2-38 in Medellín since February 26, 2018, pursuant to the provisions of the summons.

The quorum of the meeting was the following:

	SHARES	NUMBER OF PEOPLE
Attorneys in fact	15.111.959	379
Shareholders (natural persons)	10.589.745	653
Shareholders (legal entities)	378.856.262	241
General Total	404.557.966	1.273
QUORUM	87,92%	
Number of outstanding shares	460.123.458	





No extraordinary meetings of the Shareholders Assembly were convened in 2018

## Details of the main agreements voted affirmatively





The following decisions were made in the last Shareholders Assembly meeting:

 **Votes in favor**    
  **Abstention**    
  **Invalid votes**    
  **Votes against**





### Approval of the Integrated Management Report of both the CEO and the Board of Directors of the Company.

 404.414.768 shares  
 143.198 shares  
 0 shares  
 0 shares


### Approval of the Financial Statements.

 404.414.768 shares  
 143.198 shares  
 0 shares  
 0 shares



### Approval of the Tax Auditor's verdict.

 404.414.768 shares  
 143.198 shares  
 0 shares  
 0 shares





### Approval of the profits distribution project proposed by the Senior Management.

 404.557.966 shares  
 0 shares  
 0 shares  
 0 shares

### Election of the Board of Directors members for the April 2018-March 2019 statutory term.

 371.393.428 shares  
 60.885.353 shares  
 0 shares  
 2.220.643 shares





### Election of the Company's Tax Auditor for the April 2018-March 2019 statutory term.

 404.199.657 shares  
 0 shares  
 0 shares  
 358.309 shares

### Determination of professional fees for the Board of Directors.

 404.557.966 shares  
 0 shares  
 0 shares  
 0 shares

### Determination of the fees for the Tax Auditor.

 404.412.266 shares  
 145.700 shares  
 0 shares  
 0 shares





IT IS AN INSPIRATION FOR US

to collaborate, empower, create and build A Future  
Together with our stakeholders.



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