INTEGRATED REPORT 2015

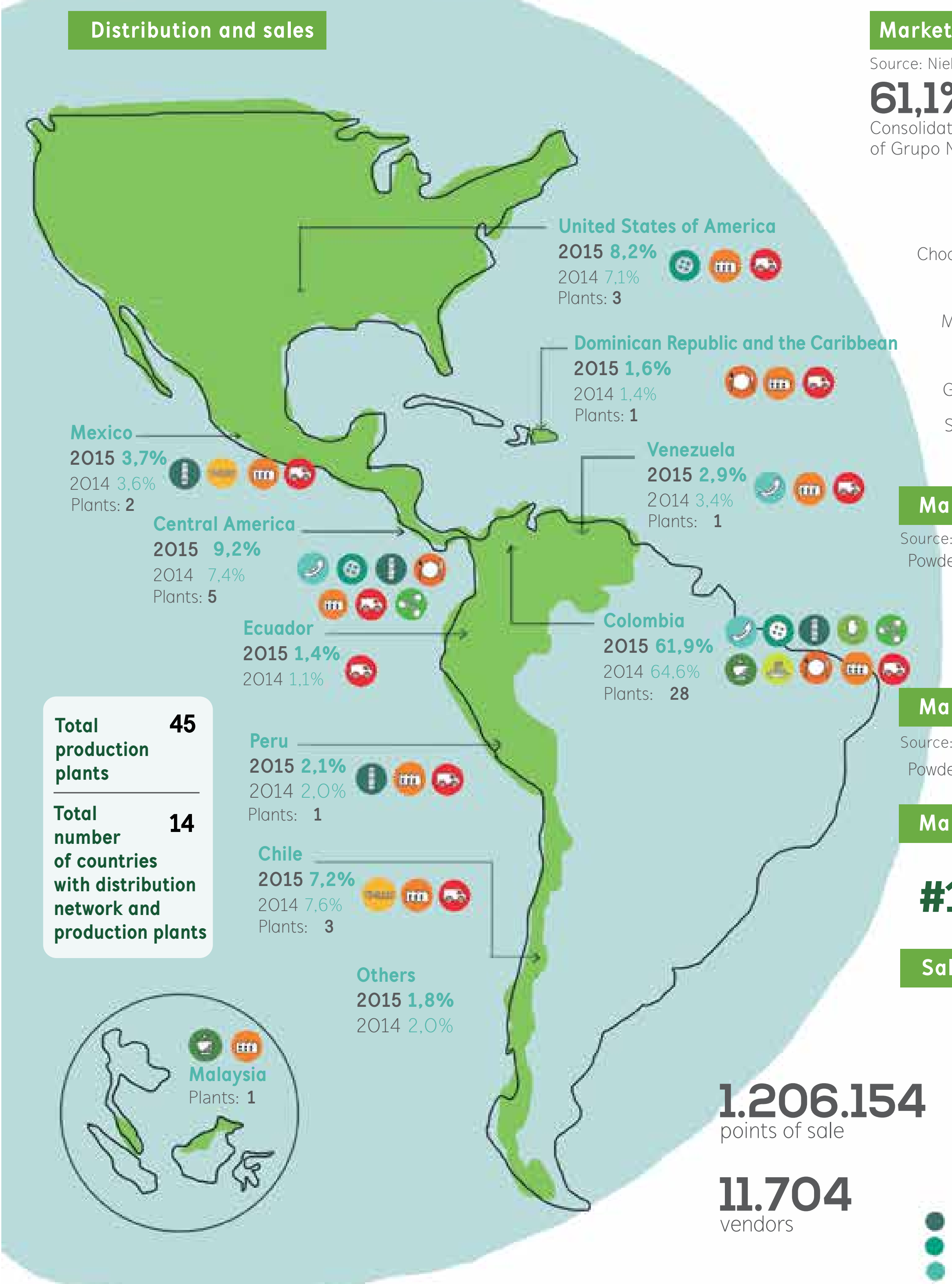
Grupo
nutresa

A FUTURE
TOGETHER

PRESENCE AND SALES IN OUR STRATEGIC REGION [G4-6][G4-9]

Figures
2015 | 2014

Distribution and sales



United States of America
2015 8,2%
2014 7,1%
Plants: 3

Dominican Republic and the Caribbean
2015 1,6%
2014 1,4%
Plants: 1

Mexico
2015 3,7%
2014 3,6%
Plants: 2

Venezuela
2015 2,9%
2014 3,4%
Plants: 1

Central America
2015 9,2%
2014 7,4%
Plants: 5

Ecuador
2015 1,4%
2014 1,1%

Colombia
2015 61,9%
2014 64,6%
Plants: 28

Peru
2015 2,1%
2014 2,0%
Plants: 1

Chile
2015 7,2%
2014 7,6%
Plants: 3

Others
2015 1,8%
2014 2,0%

Malaysia
Plants: 1

Total production plants	**45**
Total number of countries with distribution network and production plants	**14**

1.206.154
points of sale

11.704
vendors

Market share in Colombia

Source: Nielsen

61,1%
Consolidated market share of Grupo Nutresa in Colombia

Cold cuts	73,5%
Biscuits	55,9%
Chocolate Candy	67,2%
Chocolate	62,1%
Milk Modifiers	25,0%
Nuts	54,9%
Ground coffee	54,2%
Soluble coffee	42,0%
Pastas	52,2%

Market share in Chile

Source: Nielsen

Powdered drink mix	62,5%
Pastas	27,4%
Coffee	16,2%
Potato chips	13,0%

Market share in Mexico

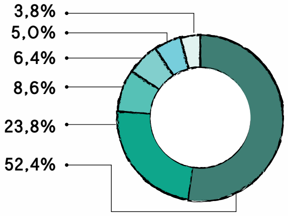
Source: Nielsen

Powdered drink mix	31,6%

Market share of Retailed Food

#1
In hamburguers and steakhouses categories in Colombia
In ice cream shops in Costa Rica and Dominican Republic

Sales by channel Grupo Nutresa



- ● Traditional (Convenience and Traditional stores)
- ● Supermarket Chains
- ● Alternative
- ● Retail Food
- ● Industrial
- ● Institutional

Shareholder composition

Source: Deceval

14.576
Shareholders

35,7%	Grupo Sura
33,2%	Other investors
15,5%	Colombian Funds
9,8%	Grupo Argos
5,8%	International Funds

Employees

45.084
2014: 38.796
(Direct employees, indirect employees and apprentices)

37,4% 62,6%
(Direct employees and apprentices)

Convenciones

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

More information in
2015report.gruponutresa.com

BUSINESS STRUCTURE [G4-4]

Grupo nutresa

	Cold Cuts	Biscuits	Chocolates	Tresmontes Lucchetti	Coffees	Retail Food	Ice Cream	Pastas
	Zenú Ranchera Rica Pietrán Hermo Blue Ribbon Berard	Saltin Noel Ducales Noel Festival Tosh Pozuelo Dux Lil' Dutch Maid Chiky	Corona Choco Lyne Nucita Jet Jumbo Johnny's Choco Listo Winter's Fochis Chin Chin Montblanc	Zuko Livean Lucchetti Talliani Café Gold Kryzpo	Café Sello Rojo Colcafé Café La Bastilla Matiz	El Corral Leños & Carbón Helados Bon Pops Starbucks Coffee Krispy Kreme Papa John's	Crem Helado Polet Aloha Bocatto	Doria Comarrico Monticello
Comercial nutresa		●	●		●			●
novaventa	●	●	●		●		●	●
La Receta	●	●	●		●		●	●
International sales and distribution network	●	●	●	●	●		●	●
Servicios nutresa	●	●	●		●		●	●

Our long-term commitment

MEGA 2020

Grupo nutresa 100 YEARS

2013 Duplicate our sales

Our Centennial strategy aims to double our 2013 sales by 2020, with sustained profitability between 12% and 14% of the EBITDA margin.

To achieve this, we offer our consumers foods and experiences of recognized and beloved brands, that nourish, generate wellness and pleasure, that are distinguished by the best price/value relation; widely available in our strategic region, managed by talented, innovative,committed and responsible people, who contribute to sustainable development.

Achieving this goal means ending 2020 with sales for COP 11,8 Trillion (MEGA 2020) which corresponds to 5,1 times the sales of 2005, when we proposed our first great goal.

The information included in this executive summary is consistent with the information of the Grupo Nutresa S.A. Integrated Report, avalaible at: **2015report.gruponutresa.com/pdf/integrated_report_2015.pdf**

In order to form a broader and deeper opinion on the actions taken and the results obtained by Grupo Nutresa S.A. on the economic, social and environmental performance, read the Grupo Nutresa S.A. Integrated Report together with this publication.

The scope and results of our work are described in the assurance report which is published on the Webpage: **2015report.gruponutresa.com/pdf/verification_report.pdf**

KPMG Advisory Services S.A.S.
Marzo de 2016

Differentiators of our business model

Our people

Human talent is one of our most valuable assets. Our cultural platform is supported by promoting participation environments, developing skills of being and doing, awarding the people and building a brand of leadership, as well as a balanced life for the people.

Our brands

Our brands are leaders in the markets in which we participate; they are recognized, cherished and part of people's daily life. They are supported by nutritional and reliable products with an excellent value for money relation.

Our distribution network

Our wide distribution network, complemented with a differentiated offer by channels and segments, with teams of specialized staff, allows us to have our products available in the appropriate frequency and a close relationship with customers.

Main risk of our business model

Volatility in prices of raw materials.

Business affectation due to a highly competitive environment.

Regulations on nutrition and health in the countries where have presence.

RESULTS 2015 OF OUR STRATEGIC GOALS FOR 2020

More information about the Strategic Goals in
http://2015report.gruponutresa.com/our-organization
/corporate-model/strategic-goals-for-2020/?lang=en

Behaving with integrity

Employees trained in risks and crisis management
+500

Updating
The corporate risks matrix, adjusted and communicated by company

Employees trained in ML/FT
+15.300

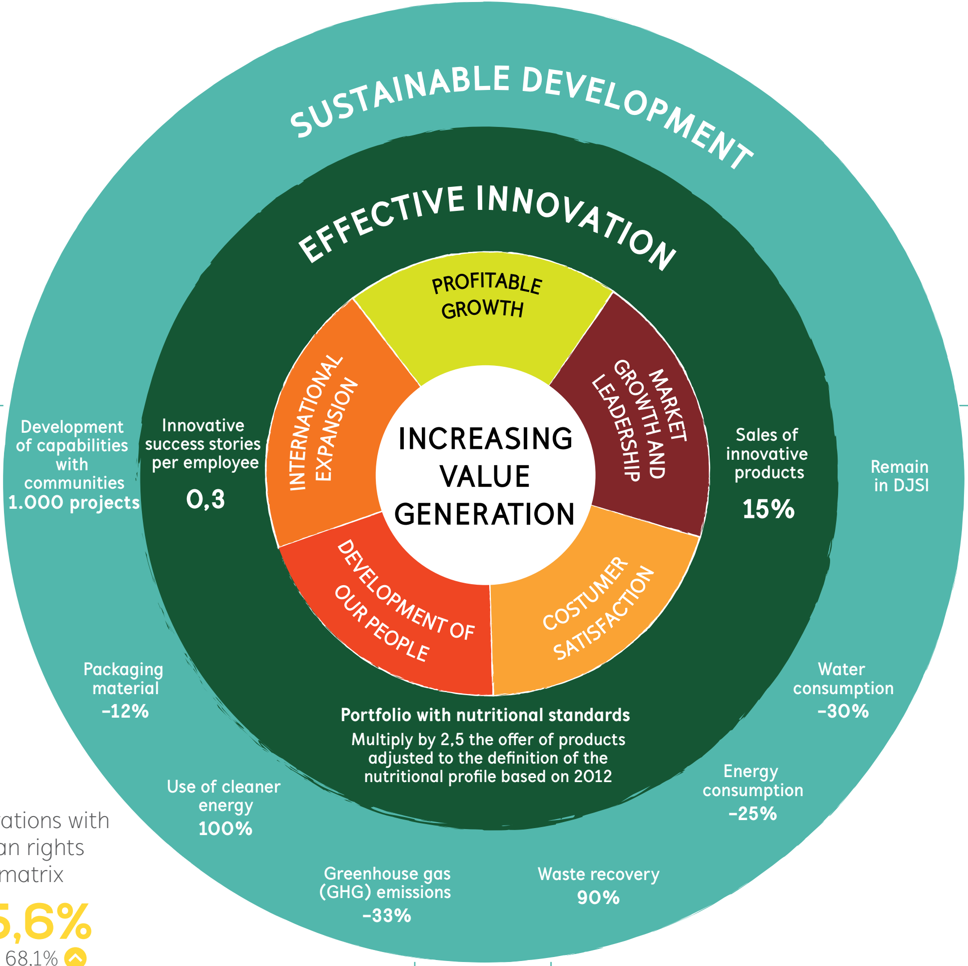
International operations with code of conduct adjusted
100%

Promoting a healthy life

Products with GDA labeling
83,0%
2014: 82,1% ▲

Production processed in certified centers
78,0%
2014: 78,9% ▼

Volume of sales that meet Nutresa´s nutritional profile
59,4%
2014: 40,0% ▲



SUSTAINABLE DEVELOPMENT

EFFECTIVE INNOVATION

PROFITABLE GROWTH

MARKET GROWTH AND LEADERSHIP

COSTUMER SATISFACTION

DEVELOPMENT OF OUR PEOPLE

INTERNATIONAL EXPANSION

INCREASING VALUE GENERATION

Innovative success stories per employee
0,3

Sales of innovative products
15%

Portfolio with nutritional standards
Multiply by 2,5 the offer of products adjusted to the definition of the nutritional profile based on 2012

Development of capabilities with communities
1.000 projects

Remain in DJSI

Packaging material
-12%

Water consumption
-30%

Use of cleaner energy
100%

Energy consumption
-25%

Greenhouse gas (GHG) emissions
-33%

Waste recovery
90%

Building a better society

Capability development projects
591
2014: 549* ▲

Investment in communities
46.651
2014: 33.737 ▲
COP million

Volunteers
10.979
2014: 10.461 ▲

Operations with human rights risks matrix
95,6%
2014: 68,1% ▲

*The year 2014 was re-expressed, to achieve comparability

Fostering profitable growth and effective innovation

Innovative success stories per employee
0,20
2014: 0,17 ▲

Sales of innovative products
16,9%
2014: 17,7% ▼

Brands with sales over US D50 mm
17
2014: 17 ►

Managing responsibly the value chain

Accident frequency rate
2,42%
2014: 2,62% ▲

Investment in social benefits COP million
88.797
2014: 69.117 ▲

Total risk situations in supliers assessed in sustainability
14,5%
2014: 47,6% ▼

Customer satisfaction indicator
88,5
2014: 87,7 ▲

Organizational climate
84,4%
2014: 84,0% ▲

Reducing the environmental impact of the operations and products

Energy consumption reduction*
-17,7%
2014: -18,2% ▼

Greenhouse gas emission reduction*
-16,4%
2014: -21,0% ▼

Water consumption reduction*
-22,1%
2014: -15,5% ▲

-8,8%
2014: -5,1% ▲
Packaging reduction*

15.081
2014: 14.084 ▲
Investment in environmental management

Base 2010
*per ton of food produced

MEMBER OF
Dow Jones Sustainability Indices
In Collaboration with RobecoSAM

ROBECOSAM
Sustainability Award
Silver Class 2016

GRI GOLD Community
Grupo Nutresa
2016

Emisor BVC

COMPROMETIDO IR

"The Issuers Recognition (IR) granted by the Colombian Stock Exchange is neither a certification of the goodness of the securities inscribed nor of the solvency of the issuer".

PROFITABLE GROWTH [G4-9]

Total Sales

COP Billion

7.945

2014: 6.482

Growth

▲ 22,6%

Organic Growth

▲ 17,0%

Ebitda

COP Billion

976

2014: 836

Growth

▲ 16,7%

Margin 2015 **12,3%**

2014 12,9%

Abroad sales

USD Million

1.098

2014: 1.145

Porcentaje ventas totales **38,1%**

Growth

▼ -4,1%

Sales in Colombia

COP Billion

4.916

2014: 4.187

Porcentaje ventas totales **61,9%**

Growth

▲ 17,4%

Organic Growth

▲ 8,7%

3% volume 5.6% price

		Total Sales	Ebitda	Margin	Abroad sales	Sales in Colombia	volume	price
Cold Cuts	**2015**	**1.909**	**232**	**12,2%**	**118**	**1.573**	2,5%	5,0%
	2014	1.745	211	12,1%	140	1.460	8,5%	2,0%
	Growth	**9,4%** ▲	**10,0%** ▲		**-15,6%** ▼	**7,7%** ▲		
Biscuits	**2015**	**1.567**	**186**	**11,9%**	**284**	**785**	5,5%	5,7%
	2014	1.246	169	13,6%	270	704	8,6%	0,0%
	Growth	**25,8%** ▲	**10,0%** ▲		**5,1%** ▲	**11,5%** ▲		
Chocolates	**2015**	**1.268**	**124**	**9,8%**	**170**	**796**	-1,3%	11,4%
	2014	1.068	120	11,2%	171	724	5,3%	1,6%
	Growth	**18,7%** ▲	**3,7%** ▲		**-0,9** ▼	**10,0%** ▲		
Tresmontes Lucchetti	**2015**	**896**	**94**	**10,5%**	**328**	**NA**		
	2014	738	82	11,1%	370			
	Growth	**21,5%** ▲	**14,6%** ▲		**-11,4** ▼			
Coffees	**2015**	**891**	**155**	**17,4%**	**132**	**531**	4,6%	1,2%
	2014	772	147	19,0%	135	502	0,4%	-2,2%
	Growth	**15,4%** ▲	**6,0%** ▲		**-2,5%** ▼	**5,8%** ▲		
Retailed Food	**2015**	**542**	**93**	**17,2%**	**65**	**363**		
	2014	115	18	15,5%	58	NA		
	Growth	**NA**	**NA**		**NA**	**NA**		
Ice Cream	**2015**	**444**	**61**	**13,8%**	**NA**	**444**	-0,6%	5,8%
	2014	422	57	13,6%		422	13,1%	-1,9%
	Growth	**5,1%** ▲	**6,6%** ▲			**5,1%** ▲		
Pastas	**2015**	**258**	**26**	**10,0%**	**NA**	**258**	1,2%	7,3%
	2014	237	22	9,4%		237	1,6%	1,2%
	Growth	**8,7%** ▲	**15,9%** ▲			**8,7%** ▲		

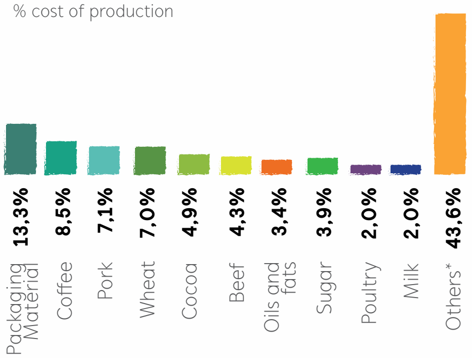
Percentage of sales by Business

Percentage of Ebitda by Business

24,0%	Cold Cuts	**23,8%**
19,7%	Biscuits	**19,1%**
16,0%	Chocolates	**12,7%**
11,3%	Tresmontes Lucchetti	**9,6%**
11,2%	Coffees	**15,9%**
6,8%	Retail Food	**9,6%**
5,6%	Ice Cream	**6,3%**
3,2%	Pastas	**2,7%**
2,2%	Others	**0,3%**

Diversification of Raw Materials

% cost of production



*Includes direct labor, IMC and other minor raw materials.

Grupo
nutresa

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CONTENT

ABOUT THIS INTEGRATED REPORT

The Grupo Nutresa Integrated Report 2015 [G4-3] comprises the management carried out during the year ending on December 31, 2015 [G4-28], as well as the management strategy and objectives for the next five years, when Grupo Nutresa celebrates 100 years of existence. The report includes the processes, products and services in view of the most important issues for its stakeholders and that have the greatest impact on its ability to generate value.

In 2015 the Organization reviewed its materiality, which allowed it to update its six strategic priorities in sustainability: Behaving with integrity, Fostering profitable growth and effective innovation, Promoting healthy life, Managing responsibly the value chain, Building a better society, Reducing the environmental impact of operations and products.

This report covers 21 relevant issues in the social, environmental and economic areas of all the countries in which Grupo Nutresa has significant operations, with the exception of operations in Venezuela, of which we have only included financial data and the number of employees [G4-20]. In order to achieve comparability, the data of Chile from 2012 and 2013 of the G4–EN15, G4–EN16 have been re–expressed. Due to the full implementation of International Financial Reporting Standards the data of G4-EC1 from 2014 were also re-expressed. Finally, incidents that do not correspond to non-compliance with voluntary codes that were recorded for Business cookies were removed from the indicator PR2. [G4-22] [G4-23]

This report was prepared in accordance with the Comprehensive Option of the Global Reporting Initiative – GRI G4 – [G4-32] guidelines for preparing sustainability reports and the Food Processing Sector Disclosures. The principles and elements of the framework of the International Integrated Reporting Council (IIRC) were also incorporated, emphasizing value creation and better information connectivity.

Likewise, this is the seventh communication on Grupo Nutresa's progress toward the fulfillment of the ten principles of the United Nations Global Compact and shows the Organization's contribution to the United Nations Sustainable Development Goals (SDG). [G4-15]

The financial information of Grupo Nutresa and its subsidiary companies has been prepared in accordance with the International Financial Reporting Standards (IFRS), approved in Colombia and other legal provisions by the respective surveillance and control agencies. The companies apply accounting practices and policies adopted by the Parent Company, which – in the case of the subsidiary companies abroad – do not differ substantially from the accounting practices and policies used in the countries of origin or which have been approved for those that generate a significant impact in the consolidated financial statements. This information was audited by PriceWaterhouseCoopers (PWC).

Non–financial information has been verified by KPMG Advisory Services S. A. S. [G4-32], an independent auditing firm that follows the guidelines of international standard ISAE 3000, and whose report has concluded that the information is adequately presented in accordance with the GRI framework. Similarly, KPMG has conducted an analysis of the consistence of the information described in the Chapter "Self–Diagnosis for Incorporating the Principles and Elements of the Integrated Report."

For readers to have a better understanding, an iconography has been identified that permits clearly identifying the basic GRI Content that correspond to each material issue and the related Sustainable Development Goals.

Examples

General standard disclosures	[G4-10]
Specific standard disclosures	[G4-EN3]
Sustainable Development Goals	[SDG 16]

For the GRI Content Index, go to:
http://2015report.gruponutresa.com/pdf/GRI_content_index.pdf

STAKEHOLDER ENGAGEMENT MODEL [G4-24] [G4-26] [G4-27]

SHAREHOLDERS

Purpose: To promote an environment of trust among shareholders, investment analysts and the general public, through transparent, timely communication in order to provide relevant, reliable information for investment decision making.

Relationship Mechanisms:
- Website. Permanently
- Quarterly newsletter
- Email. Occasionally
- Quarterly investors conference
- Integrated annual report
- Shareholders' Annual Assembly
- Ethics Hotline. Permanently
- Social Networks. Permanently

EMPLOYEES

Purpose: To promote harmonious relationships to increase productivity in challenging, safe and inclusive work environments where collaboration is encouraged and employee development and progress are guaranteed.

Relationship Mechanisms:
- Annual surveys on organizational climate
- Intranet, printed newsletters, bulletin boards, Email. Permanently
- Meetings with senior management. Quarterly
- Synergy communities. Frequently
- Primary groups. Frequently
- Primary OHS Committees. Frequently
- Retirement interview. Occasionall
- Family–Responsible Company (FRC) Committee. Frequently
- Psycho–social risk survey. Frequently
- Human Rights Committee. Frequently
- Coexistence Committees. Frequently
- Suggestion boxes. Permanently
- Ethics Hotline. Permanently

CUSTOMERS

Purpose: To bring them reliable products with leading brands, through commercial networks that allow their growth.

Relationship Mechanisms:
- Commercial network. Permanently
- Client portals. Permanently
- Customer–Service Line – Interaction Centers. Permanently
- Ethics Hotline. Permanently
- Grocers' School. Permanently
- Convenience Store School. Permanently
- Annual Measurement of service
- Meetings with alternative–channel entrepreneurs. Frequently
- Website. Permanently
- Email. Occasionally

CONSUMERS AND SHOPPERS

Purpose: To contribute to their quality of life with recognized loved products and brands that satisfy their needs for nutrition, wellness and pleasure.

Relationship Mechanisms:
- Customer–Service Line – Interaction Centers. Permanently
- Ethics Hotline. Permanently
- Consumer–Service Line. Permanently
- Websites. Permanently
- Email. Occasionally
- Social networks. Permanently
- Market research. Occasionally
- Media communications
- Points of Sale. Permanently
- Point–of–Sale staff. Permanently
- Brand/ Product activations. Occasionally

COMMUNITIES

Purpose: To ensure the development of skills in related communities, as a tool to achieve their sustainability and support their wellness by allocating tangible and intangible resources.

Relationship Mechanisms:
- Workspaces and outreach to communities. Frequently
- Website and Email. Occasionally
- Participation in forums and conferences. Occasionally
- Integrated annual report
- Training groups. Frequently
- Ethics Hotline. Permanently
- Annual meetings with farmers

GOVERNMENT

Purpose: To promote the establishment of public policy environments that support the business objectives of the Organization and the particular needs of society.

Relationship Mechanisms:
- Participation in spaces where the improvement of public policies is promoted. Occasionally
- Reports and control meetings. Permanently
- Answering surveys. Occasionally
- Gremial participation. Frequently.

SUPPLIERS

Purpose: To strengthen and develop suppliers and contractors as partners in the supply chain, to permit their growth and ensure supply for the Organization.

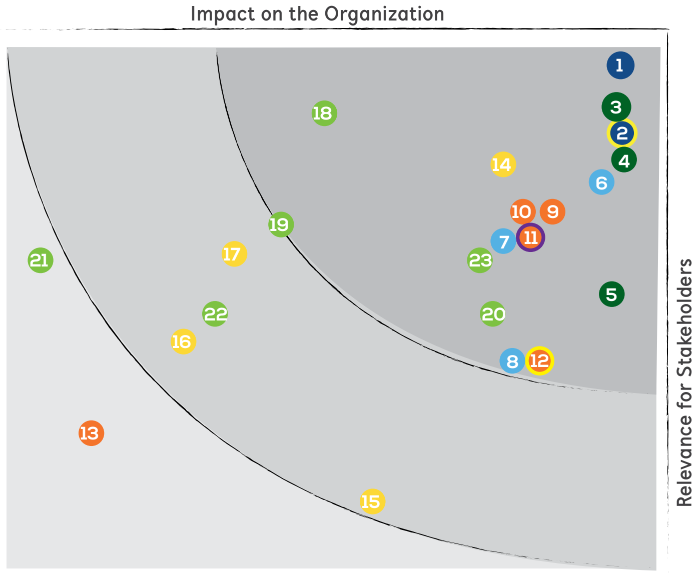
Relationship Mechanisms:
- Online business portal. Permanently
- Contact Center. Permanently
- Helpdesk. Occasionally
- Email. Occasionally
- Development and education programs. Permanently
- Annual managament meeting
- Evaluation visits. Permanently
- Annual exemplary supllier event
- Website. Permanently
- Integrated annual report

To get to know the issues that matter most for the stakeholder go to:
http://2015report.gruponutresa.com/pdf/relevant_issues_relation_GRI_and_relevance_for_stakeholders.pdf

MATERIALITY ANALYSIS [G4-18] [G4-19] [G4-20]

Strategic priorities	Materiality aspects
Behaving with integrity	① Corporate governance ② Risk and compliance
Fostering profitable growth and effective innovation	③ Profitable growth in the markets ④ Reliable brands with an excellent value for money relation ⑤ Effective innovation
Promoting a healthy life	⑥ Nutrition and healthy life ⑦ Responsible marketing ⑧ Food safety
Managing responsibly the value chain	⑨ Development of our people ⑩ Quality of life ⑪ Responsible sourcing ⑫ Responsible sales ⑬ Externalities
Building a better society	⑭ Human rights ⑮ Development of collaborative proposals for public policy ⑯ Development of capabilities and education ⑰ Food safety and nutrition
Reducing the environmental impact of the operations and products	⑱ Water resource management ⑲ Energy ⑳ Climate change ㉑ Air quality ㉒ Waste management ㉓ Packaging and post – consumption

Grupo Nutresa identifies the issues that could affect its ability to generate value by analyzing the expectations of its stakeholders, trends in the food sector, international industrial peers and evaluations in which it participates, such as the Dow Jones Sustainability Index (DJSI), the Carbon Disclosure Project (CDP), ***ALAS20,*** among others.



In 2015, Grupo Nutresa updated the materiality analysis and identified 23 relevant issues, of which 17 were classified as material; these issues were accessed as:

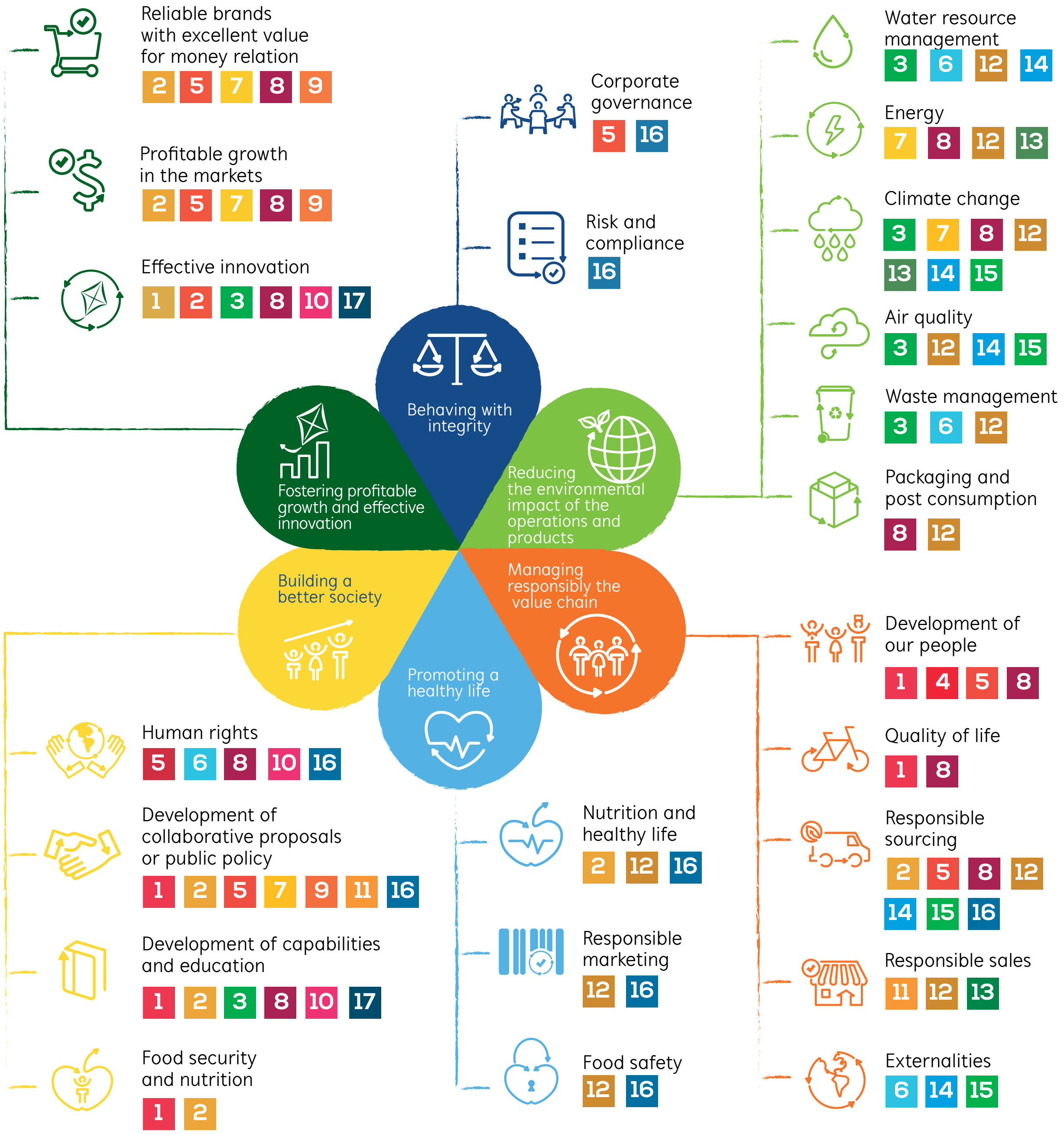
1. **Impact on the Organization:** taking into account the strategy, strategic goals for 2020, corporate risks and business differentiators, among others.
2. **Relevance for Stakeholders:** through dialogues, surveys and interviews carried out with Stakeholders in five countries: Colombia, Chile, Mexico, Costa Rica and the United States.

Understanding Specific Priorities

Another purpose of the updating was to recognize the issues with relevance for operations of the omnichannel sales and retail food; these are shown thus:

○ Omnichannel
○ Retail Foods

Alignment of the strategic priorities with the Sustainable Development Goals [G4-19]



Fostering profitable growth and effective innovation

Reliable brands with excellent value for money relation
2 5 7 8 9

Profitable growth in the markets
2 5 7 8 9

Effective innovation
1 2 3 8 10 17

Behaving with integrity

Corporate governance
5 16

Risk and compliance
16

Reducing the environmental impact of the operations and products

Water resource management
3 6 12 14

Energy
7 8 12 13

Climate change
3 7 8 12 13 14 15

Air quality
3 12 14 15

Waste management
3 6 12

Packaging and post consumption
8 12

Managing responsibly the value chain

Development of our people
1 4 5 8

Quality of life
1 8

Responsible sourcing
2 5 8 12 14 15 16

Responsible sales
11 12 13

Externalities
6 14 15

Promoting a healthy life

Nutrition and healthy life
2 12 16

Responsible marketing
12 16

Food safety
12 16

Building a better society

Human rights
5 6 8 10 16

Development of collaborative proposals or public policy
1 2 5 7 9 11 16

Development of capabilities and education
1 2 3 8 10 17

Food security and nutrition
1 2

The diagram shows the issues through which Grupo Nutresa contributes to the Sustainable Development Goals -SDG-.
In the chapters of the Integrated Report you will find further detail on how the Organization has aligned its actions to the achievement of the SDG.

MANAGEMENT REPORT [G4-1] [G4-13] [G4-32]

Without a doubt, 2015 was a year that tested the pillars of our business model: people, brands and distribution, which have been strengthened over time, to provide Grupo Nutresa and its businesses the ability to face market demands with increasing challenges and renewed opportunities.

Doubts about the growth of relevant markets, such as China, coupled with an oversupply of oil, have created global uncertainty and have led some agents to take refuge in less volatile markets. In addition, lower income from selling raw materials abroad increases pressure on the exchange rates of emerging economies. Against this situation, Grupo Nutresa used its capabilities in depth and advanced significant programs in efficiency and productivity, prices and distribution, and innovation. The Organization will continue to face these challenges with the relevance, presence and affordability of its products, and the strength of its brands.

Amid these conditions, we report with satisfaction some outstanding results in 2015, which we hope to repeat this year, through the efforts of our teams.

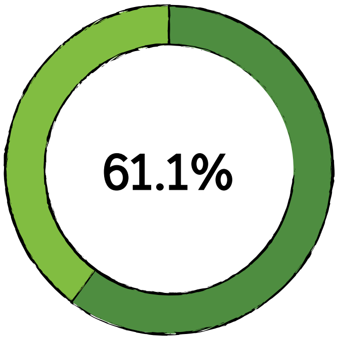
With the transparency and timeliness required in a corporation, we present you our integrated management report, following the framework of the International Integrated Reporting Council (IIRC), and "In accordance" with comprehensive option of the Global Reporting Initiative (GRI) G4 guidelines. This means that it complies with recognized global guidelines on reporting and has been developed based on the Grupo Nutresa Materiality Matrix, to facilitate the analysis of the management, according to the issues of greatest importance to the Organization and its stakeholders.

We invite you to review the printed document in detail that has been prepared and shared, as well as the additional information that is available in digital media through our Website.

Sustainable development is the guide for action in Grupo Nutresa and frames its short–, medium– and long–term strategy. It is an ability that allows us to consistently prosper and progress economically, and contribute to social development in balance with the environment. In this regard, risks are managed; opportunities are capitalized on; our value chain, the quality of products, experiences and services are continuously strengthened; and excellence in corporate governance practices is sought.

This commitment was recognized by being included, for the fifth consecutive year, in the Dow Jones World Sustainability Index (DJSI) and the Emerging Markets Index 2015, and – for the second year – receiving the RobecoSAM "Silver Category" distinction in the Sustainability Yearbook 2016. Thus, Grupo Nutresa is consolidated as the third best company in the food sector in the world for its sustainability management, achieving maximum performance in measurement variables such as risk and crisis management, codes of conduct, risk management related to water, packaging, corporate citizenship, indicators of labor practices and human rights, and social reporting.

Similarly, last year Grupo Nutresa rose in the ***MERCO Empresa***s 2015 corporate reputation, ranking second in general in Colombia and first in the food and beverage sector in the country.



Grupo Nutresa consolidated market share in Colombia

Total sales
COP 7.9 trillions.
22.6% increase.

Sales in
Colombia closed at
COP 4.9 trillion, boosted by
greater volumes.
17.4% Increase.

> Only when we understand that **the power to drive change** lies in each of us, it is when we make possible **"a future together".**

Grupo Nutresa is convinced that people face challenging situations and make the difference; so our basis of development is a competent, committed team. We work every day to build a more humane, competitive organization, acting with ethics and integrity.

Progress on this front is confirmed by studies, such as ***MERCO Personas,*** that in 2015 highlighted the Organization as one of the three best companies to work at in Colombia and the most attractive in the food sector, a position it has held since 2013.

We receive all these recognitions with humility and commitment; they are endorsed in defining the higher purpose of the Organization: building a better world, where sustainable development is for everyone.

We work, convinced that every positive change that is generated together with a person, a family or a community reaches a wider environment, thus forming an increasingly stronger chain, because only when it is understood that the power to push for changes resides in each of us, is when we make “A Future Together” possible.

We recently reached the first one hundred years of existence of ***Compañía de Galletas Noel***. Our special thanks to all its employees who – through its philosophy of “Live with Sense” – give their best every day, being the “secret touch” that makes this great company valid and successful.

PROFITABLE GROWTH

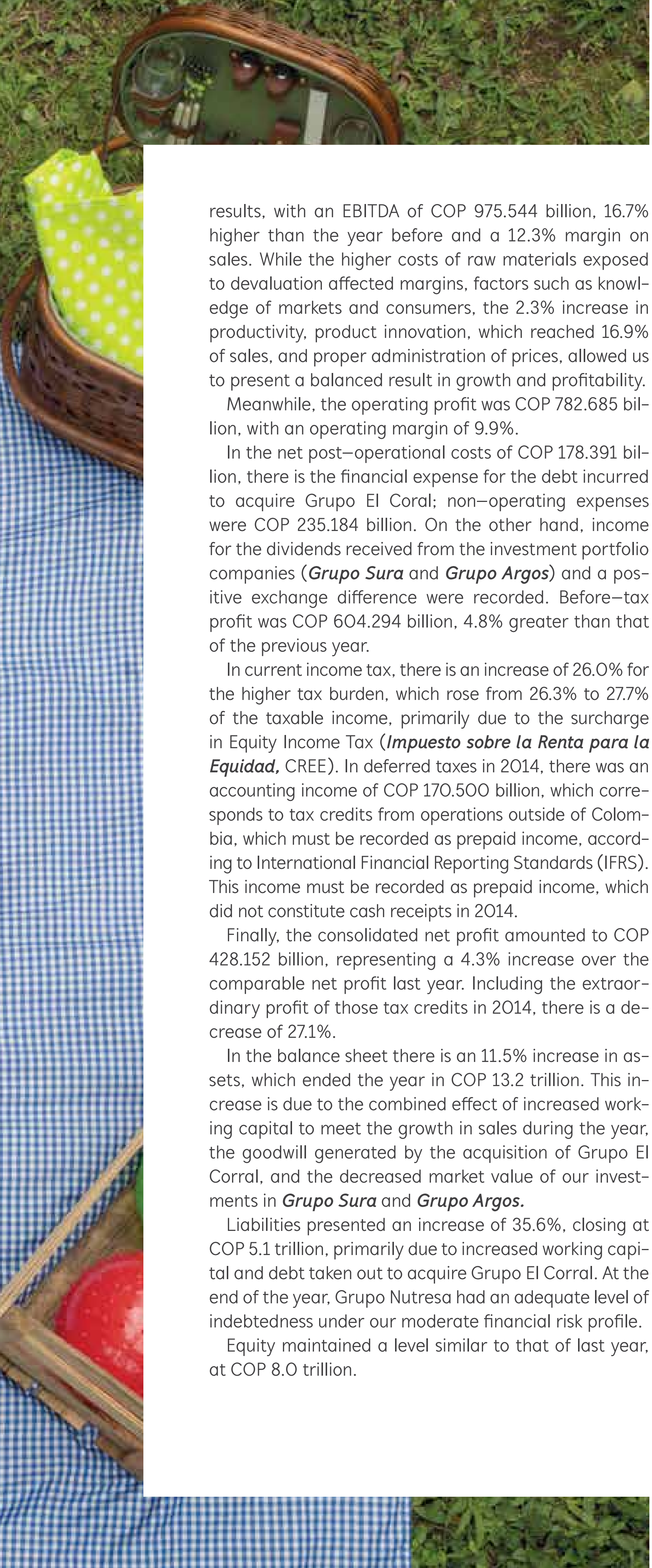
In 2015, Grupo Nutresa sales closed at COP 7.9 trillion, an increase of 22.6% compared to the previous year, and 17.0% excluding the sales of Grupo El Corral.

In Colombia, sales had outstanding performance and reached COP 4.9 trillion, representing 61.9% of the total, with an increase of 17.4% and 8.7% excluding the sales of Grupo El Corral. This 8.7% growth is comprised of 3.0% in greater volumes and an average price increase of 5.6%, primarily due to the relevance of our portfolio that meets the needs and possibilities of an increasingly demanding consumer, as evidenced by obtaining a record 61.1% weighted market share in Colombia. This excellent performance is also supported in a balanced exposure of various categories of products in different markets, some strong brands and powerful distribution networks.

Sales abroad, 32.0% higher than the previous year, amounted to COP 3.0 trillion, representing 38.1% of the total. When expressed in Dollars, sales reached USD 1.098 million, 4.1% less due to the devaluation of Latin American currencies against the Dollar.

The geographic expansion advanced in recent years has allowed Grupo Nutresa to make acquisitions abroad at favorable exchange rates. With the current effect of cross devaluation, where currencies in the countries in which it participates have devalued less than the Colombian Peso, the performance of these markets contributes positively to the Organization’s growth.

In profitability, Grupo Nutresa obtained remarkable



results, with an EBITDA of COP 975.544 billion, 16.7% higher than the year before and a 12.3% margin on sales. While the higher costs of raw materials exposed to devaluation affected margins, factors such as knowledge of markets and consumers, the 2.3% increase in productivity, product innovation, which reached 16.9% of sales, and proper administration of prices, allowed us to present a balanced result in growth and profitability.

Meanwhile, the operating profit was COP 782.685 billion, with an operating margin of 9.9%.

In the net post–operational costs of COP 178.391 billion, there is the financial expense for the debt incurred to acquire Grupo El Coral; non–operating expenses were COP 235.184 billion. On the other hand, income for the dividends received from the investment portfolio companies (***Grupo Sura*** and ***Grupo Argos***) and a positive exchange difference were recorded. Before–tax profit was COP 604.294 billion, 4.8% greater than that of the previous year.

In current income tax, there is an increase of 26.0% for the higher tax burden, which rose from 26.3% to 27.7% of the taxable income, primarily due to the surcharge in Equity Income Tax (***Impuesto sobre la Renta para la Equidad,*** CREE). In deferred taxes in 2014, there was an accounting income of COP 170.500 billion, which corresponds to tax credits from operations outside of Colombia, which must be recorded as prepaid income, according to International Financial Reporting Standards (IFRS). This income must be recorded as prepaid income, which did not constitute cash receipts in 2014.

Finally, the consolidated net profit amounted to COP 428.152 billion, representing a 4.3% increase over the comparable net profit last year. Including the extraordinary profit of those tax credits in 2014, there is a decrease of 27.1%.

In the balance sheet there is an 11.5% increase in assets, which ended the year in COP 13.2 trillion. This increase is due to the combined effect of increased working capital to meet the growth in sales during the year, the goodwill generated by the acquisition of Grupo El Corral, and the decreased market value of our investments in ***Grupo Sura*** and ***Grupo Argos.***

Liabilities presented an increase of 35.6%, closing at COP 5.1 trillion, primarily due to increased working capital and debt taken out to acquire Grupo El Corral. At the end of the year, Grupo Nutresa had an adequate level of indebtedness under our moderate financial risk profile.

Equity maintained a level similar to that of last year, at COP 8.0 trillion.

GRUPO NUTRESA S. A. INDIVIDUAL RESULTS

Complying with regulations in Colombia, the individual results of Grupo Nutresa S. A. are reported. Operational income of COP 433.097 billion was recorded, of which COP 386.187 billion correspond to profit from the equity method of our investments in food companies, and COP 46.910 billion in dividends from the investment portfolio. Net profit was COP 427.096 billion.

ACQUISITIONS AND OTHER RELEVANT PROJECTS

Grupo Nutresa's profitable growth strategy is a combination of organic development of our businesses and the constant search for investment opportunities, allowing us to integrate new teams, skills, geographical regions, experiences and products to add value for our shareholders.

In February 2015, with the acquisition of Grupo El Corral, the most important restaurant company in Colombia, the eighth business unit – called Retail Food – was created, and which – in addition to Grupo El Corral – integrates our ice cream parlor chains in Central America and the Dominican Republic.

This strategic strategy offers Grupo Nutresa a highway for development and profitable growth, allowing us to directly reach consumers, at different times, with experiences and high–quality products. This business unit creates value by participating in this market that grows with the entry of consumers and has attractive profitability.

Grupo Nutresa's strategy is also based on developing opportunities for organic growth; some noteworthy initiatives from last year are: In the United States, production of crackers began, complementing our offer in this high–potential market. In Mexico operation began in the new industrial center in Guadalajara with two business lines: instant cold beverages and pastas. Finally, in Chile production and marketing began for a new line of biscuits and baked snacks.

GRUPO EMPRESARIAL NUTRESA SPECIAL REPORT

At the close for 2015, Grupo Empresarial Nutresa consisted of 82 companies, grouped for administrative purposes as: i) eight food businesses and their production platforms in Colombia and abroad; ii) an international distribution network; iii) three national distribution companies; and iv) four service, administrative, logistics and transport companies providing the respective support to the Grupo Nutresa companies.

In compliance with the provisions of Article 29 of Law 222 of 1995, Grupo Nutresa S. A., as the Parent Company of Grupo Empresarial Nutresa, states that it received COP 1.439 billion from its subsidiaries for management fees and dividends of COP 178.261 billion. In addition, to support financial obligations of its subsidiaries, it constituted endorsements and guarantees for up to COP 240.176 billion and COP 340.000 billion respectively.

Meanwhile, the subsidiaries did not conduct operations with third parties from the influence on or interest by the Parent Company.Likewise, in 2015 Grupo Nutresa S. A. did not stop making decisions to attend the interest or influence of any of its subsidiaries, nor did any of its subsidiaries stop making decisions to attend any interest or influence of Grupo Nutresa S. A.

LEGAL PROVISIONS

Grupo Nutresa and its subsidiaries fully comply with all the intellectual property and copyright regulations; its brands are duly registered, it has the respective licenses to use the software installed and it has the necessary evidence that permits verifying this compliance.

In 2015, no relevant court decisions were presented and ongoing lawsuits are not of consideration; therefore, there are no contingent liabilities that may impair the consolidated results at the close of the 2015 accounting year. Neither have there been any significant fines or sanctions against the Grupo Nutresa companies or their administrators.

In Note 17 of the Grupo Nutresa Basic Financial Statements, published on our Website, operations are detailed with shareholders and persons referred to in Article 47 of Law 222 of 1995 and other related regulations, operations that were conducted under market conditions.

The Company states that it has not obstructed the free flow of invoices issued by Grupo Empresarial Nutresa vendors or suppliers, in accordance with the provisions of Law 1676 of 2013; it further certifies that the financial statements and other relevant reports do not contain any defects, inaccuracies or errors that prevent ascertaining the true financial position of the Company, as set out in Article 46 of Law 964 of 2005.

In the last year, the Company Code of Good Governance and Bylaws were amended to accept the recommendations of the new Code of Best Corporate Practices (Country Code). The Company presented the report on implementation to the Colombian Financial Superintendency, which details how the vast majority of the measures have been adopted; this forms part of this report and may be consulted on our Website www.gruponutresa.com.

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

The Company's internal control system includes, among other components, the resources necessary to ensure the accuracy and reliability of the information required to plan, manage, control and measure the performance of its businesses, as well as ensure the adequate disclosure of the financial information to its shareholders and other investors, to the market and the public in general. These resources include integral risk management, accountability systems, control plans and programs, budget and cost tools, account plans, standardized policies and procedures, comprehensive information systems and formats to document and record operations, as well as scorecards that support the continuous monitoring of processes by the Administration. Through independent integral assurance management, Internal Auditing ensures the achievement of Company goals and objectives, and the adequate protection, utilization and conservation of assets in all processes. In turn, the Fiscal Auditor fulfills the responsibility of verifying and certifying public faith on relevant issues, such as the Company's observance of the legal, statutory and administrative regulations, the reasonableness of its financial statements and the disclosures contained therein.

The results of the continuous monitoring activities

Sales
abroad represented
USD 38.1%
of total sales.

Abroad sales
USD 1,098
million.

EBIDTA
COP 975.554 billions.

by the Administration and independent evaluations, conducted by Internal Auditing and the Fiscal Auditor, are reported in each case in a timely manner to the appropriate authorities, including the Board of Directors' Finance, Audit and Risk Committee, which confirms that the performance of the financial information disclosure and control systems of the Company and its businesses is appropriate. These systems ensure the adequate, timely presentation of this information, which is verified through accounting, as it relates to the operations which – due to their nature – must be reflected and revealed in the financial statements or in accordance with the expectations, projections, cash flows or budgets, if they deal with business initiatives or projects, all within the constraints that, by virtue of the law, contracts or confidentiality agreements, are imposed on the disclosure of these type of operations. Based on these activities, it is also stated that there were no significant deficiencies in the design and operation of the internal controls that would have prevented the Company from adequately registering, processing, summarizing and presenting the financial information of the period. Also, no cases of fraud were identified with an effect of the quality of this information, nor were there changes in its evaluation methodology.

SUSTAINABLE NUTRESA

According to the best practices in sustainability, during 2015 the Materiality Matrix was updated, in order to better understand the particularities of the businesses and the geographical areas in which Grupo Nutresa operates, taking into account the expectations and needs of our stakeholders, finding elements to involve their priorities in our strategy.

The Company actively participated in the discussion of the new Sustainable Development Goals (SDGs) and the role of the companies to contribute to their achievement. For this reason, Grupo Nutresa joined the Private Sector Advisory Group of the United Nations Sustainable Development Goals and the Corporate Leadership Group, created through the initiative of the Global Reporting Initiative (GRI), which seeks to promote a global discussion on sustainability reports with a look to 2025.

In 2015, Grupo Nutresa obtained the ALAS20 Latin America Grand Prix Company Recognition, thanks to the consistency and excellent level of public disclosure of information about our practices regarding investor relations, sustainable development and corporate governance.

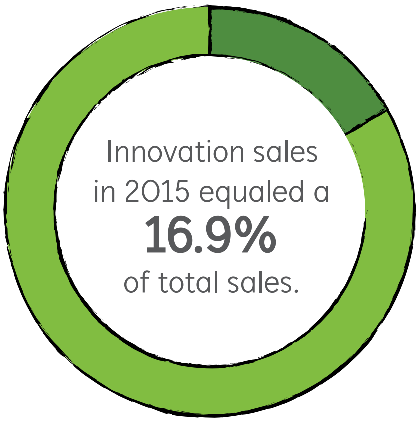
FOR A BETTER SOCIETY

In the last year, Grupo Nutresa continued to incorporate best talent management practices, allowing it to maintain its value proposal to employees valid, always seeking to be an attractive, competitive employer in the market. Therefore, the Company consolidated its leadership model and defined the talents that all Grupo Nutresa employees must develop to achieve the objectives defined in our strategy.

The companies consolidated their health prevention and management system of employees, achieving re-certification as Healthy Organizations and as a Family Responsible Company (***Empresa Familiarmente Responsible,*** EFR), which shows significant improvements in cardiovascular risks and the incorporation of healthy lifestyles. In addition, the companies continue to advance in cutting-edge programs to identify challenges in diversity and inclusion in all geographical regions. As for the promotion of human rights, Grupo Nutresa continues to train its leaders and incorporate these aspects into the management of our international operations.

Through Fundación Nutresa, the Company continues to develop initiatives in its three management lines: Nutrition, Education and Income Generation and Entrepreneurship, which contribute to the development of skills in society. During 2015, a total of COP 46.651 billion was invested, providing benefits to 3,110,577 people in the strategic region.

Sustainable development is an actuation guide to Grupo Nutresa and frames the short, medium and long term strategy.



Noteworthy is the work carried out with blackberry, coffee, cocoa, cashew and sesame seed producers, as well as pig farmers and ranchers, who – thanks to our accompaniment – have stronger associations and have adopted best practices, making them more competitive. The healthy lifestyle strategy was consolidated with programs aimed at children in public education institutions in Chile, Colombia and Mexico, an initiative that was distinguished in Chile with the "***Avonni*** National Innovation Award" in the category of Pubic Innovation.

We have the participation of a large network of volunteers, consisting of more than 10,979 employees in 12 countries, who – with their solidarity and perseverance – invested 27,333 hours for the development and benefit of 150,852 people and 880 institutions.

OUR PLANET

We take on the challenge to advance toward meeting our goals for growth and profitability by decreasing the impact on the environment. Therefore, our management is aimed at increasing the eco-efficiency of operations, reducing emissions, managing the challenges of climate change, expanding the boundaries of action with water resources by developing initiatives not only in our direct operations, but also in our value chain and extending our responsibility throughout the life cycle of products.

During 2015, progress in our environmental objectives by 2020 was made. Energy consumption was reduced by 17.7%, greenhouse gas (GHG) emissions by 16.4%, water consumption per ton produced by 22.1% and the use of packaging material per ton produced by 8.8%. All this against the 2010 base line.

Grupo Nutresa continues to mitigate the social and environmental impacts of our supply chain through joint programs with sectorial and trade associations to generate capacities in our suppliers and building strategic alliances that will help mitigate the risks associated with a focus on Grupo Nutresa's ten principal raw materials.

OUTLOOK

Grupo Nutresa faces a challenging economic environment, but sees the future with optimism because it has the ability to seize opportunities and create value under these conditions. With efforts to increase productivity, effectively innovate, offer affordable, convenient products, supported by leading brands and strong distribution networks, Grupo Nutresa will consistently move towards the Mega goal set for 2020.

ACKNOWLEDGEMENTS

We thank our employees, clients, consumers, suppliers and the general public, for encouraging us to develop a human, sustainable and innovative organization, and we especially thank all our shareholders for their trust, support and motivation to build a future together.

- Antonio Mario Celia Martínez–Aparicio – Chairman of the Board
- David Bojanini García
- Gonzalo Alberto Pérez Rojas
- María Clara Aristizábal Restrepo
- Jaime Alberto Palacio Botero
- Mauricio Reina Echeverri
- Carlos Ignacio Gallego Palacio – CEO

BEHAVING WITH INTEGRITY

For Grupo Nutresa behaving with integrity is synonymous with building trust in their stakeholders. For this reason, the Organizations frames the planning, management and execution of its processes in behaviors based on ethics and good conduct; it has clear procedures to indentify and address risks, and also works permanently assuring the compliance of rules and standards which governs its operation.

A FUTURE
TOGETHER

CORPORATE GOVERNANCE [G4-DMA]

Collaborators at Servicios Nutresa, Medellín, Colombia.

Purpose

To establish a framework for transparent, trustworthy, ethical conduct for Grupo Nutresa's actions, developing management, information disclosure and control policies, aligned with the highest international standards of corporate governance, which positively impact organizational reputation to benefit shareholders and other stakeholders.

Strategy	Progress 2015
Update the Company's corporate governance measures.	The Company's Code of Good Governance and Bylaws were amended to adopt the recommendations of the new version of the ***Código País*** guidelines and implement other measures at the forefront of corporate governance.
	The following policies were approved by the Board of Directors and the Shareholders Meeting: • Remuneration and Evaluation of Senior Management • Risks • Succession of Senior Management • Human Resources • Related Party Transactions • Remuneration and Evaluation of the Board of Directors • Succession of the Board of Directors • Acquisition of Treasury Shares
	A framework of institutional relations was approved in order to align Grupo Empresarial Nutresa's interest with that of all the companies that comprise it.
Disclose the good governance measures and sensitize all the Company's employees.	The new Code of Good Governance was implemented and disseminated in the foreign companies.
Ensure compliance of the governance practices accepted by the Company.	Progress was made in developing profiles of the members of the Board of Directors with the help of a consulting firm with broad expertise in corporate governance issues.
Strengthen mechanisms used to report issues concerning ethics and conduct.	The Ethics Hotline was consolidated by documenting a protocol to deal with reported cases.

Risks and Opportunities

Good corporate governance ensures that the Company's actions and those of its governing bodies are carried out in an institutional framework of ethical behavior that aims for transparency and integrity.

Transparency is ensured by delivering clear, complete and timely information, which generates trust in stakeholders, maintaining and attracting national and foreign investors.

In turn, integrity is promoted through structured policies that clearly determine the guidelines for behavior that must be met by governing bodies, employees, clients, suppliers and shareholders, and it is guaranteed through strict monitoring of compliance, using internal and external control procedures.

Committed to its investors, the Company intends to maintain excellence in the management of corporate governance by asserting and implementing the highest standards in the world on the matter, especially in the areas of transparency and integrity.

Future Perspectives

Grupo Nutresa's commitment for 2020 is to preserve excellence in the management of corporate governance by implementing the leading practices in the world. The Company focuses on maintaining the corporate governance measures that govern its operation up to date and strengthening interaction with its stakeholders, according to regional and global trends.

The short–term challenge is to ensure compliance of the new measures implemented in 2015. The amendments to the Bylaws and the Code of Good Governance, and the implementation of new policies pose new challenges and opportunities for the governing bodies, which should focus on continuous monitoring in order to verify compliance with the objectives proposed, greater corporate transparency, ethical behavior and integrity.

Furthermore, different activities and campaigns to strengthen ethics with permanent disclosure to employees and stakeholders on organizational values and observable behaviors in ethics and transparency will be carried out in the short and medium term.

Remarkable Achievements

The Colombian Financial Superintendency assesses the level of implementation of the corporate governance practices that it recommends that issuers of securities in Colombia apply. **Grupo Nutresa obtained the highest score in this survey with 38 fully implemented measures.**

ALAS20
Agenda Líderes Sustentables 2020

Grupo Nutresa obtained the *ALAS20* 2015 recognition in the following categories: Leading Company in Sustainability, Board Member of a Leading Company in Sustainability, *ALAS20* Company Colombia, and Latin America Grand Prix Company. These recognitions were awarded thanks to the Company's leadership, as well as its consistency and excellence in public disclosure of information on its practices of investor relations, sustainable development and corporate governance.

Carlos Ignacio Gallego P. and Antonio Mario Celia M., receiving the Alas20 award.

For the third year, **Grupo Nutresa obtained the Investor Relations "IR" recognition awarded by the Colombian Stock Exchange** to companies that have voluntarily adopted best practices for information disclosure and investor relations.

Emisor BVC
COMPROMETIDO IR

Progress 2015

According to the Bylaws, the Board of Directors consists of seven (7) members. In April 2015, one of the Board members resigned and the Board has since continued to operate with six members, all of whom have different backgrounds, knowledge and expertise in finances, business and strategy. Three of the six current Board members are independent, including the Chairman. The criteria adopted by Grupo Nutresa to determine the independence of its Board members is more rigorous than the one prescribed by law, and it is contained in the Company's Code of Good Governance.

In 2015 the Company created a profile matrix that identifies desired skills for members of the Board of Directors and helps to determine if current Board members comply with such skills. The matrix is available on the Company's website.

The Board of Directors meets once a month and all the support committees meet at least twice a year, with the exception of the Finance, Audit and Risk Committee, which meets at least five times a year. In this way, each body is able to perform its duties and comply with the minimum frequencies established for its meetings.

The Board of Directors also conducted its annual self–evaluation, which assesses the qualities, attributes and experience of the Board and its support committees. This evaluation was focused on reviewing the performance and contribution of the Board members and the support committees, and highlighted aspects where improvements can be made.

In 2015, the Company's Code of Good Governance and Bylaws were amended, implementing the corporate governance recommendations made by the Colombian Financial Superintendency through the new Código País guidelines and adopting other world–class corporate governance measures, including:

- The elimination of alternate members on the Board of Directors.
- The annual election of the Board of Directors.
- The establishment of broader terms for the convening of the Shareholders Meetings: 30 days for ordinary meetings and 15 days for extraordinary meetings.
- New functions for the Chairman of the Board related to his leadership.
- New functions for the Finance, Audit and Risk Committee, which allow it to strengthen the independence and efficiency of the Internal Audit.

In line with the implementation of the new measures,

Collaborators at Alimentos Cárnicos. Ibagué, Colombia.

Collaborators Compañia de Galletas Noel. Medellín, Colombia.

the Board of Directors and the Shareholders Meeting approved the following policies, which contribute to establishing clear guidelines in search of greater transparency and integrity in each of the Company's activities and those of its administrative bodies:

- Policy on Remuneration and Evaluation of Senior Management.
- Risk Policy.
- Senior Management Succession Policy
- Human Resources Policy.
- Policy on Related Party Transactions.
- Policy on Remuneration and Evaluation of the Board of Directors.
- Board Succession Policy.
- Policy on the Acquisition of Treasury Shares.

By updating the Code of Good Governance, a more structured procedure was established for the election of the Board of Directors. Terms for convening the Shareholders Meeting were extended with the intention of allowing more time for the Appointment and Retribution Committee to evaluate candidate profiles, thus ensuring that all the necessary requirements to be a Board member – and to be an independent member – are met.

The Appointment and Retribution Committee is now in charge of analyzing desired profiles for Board members, according to criteria such as diversity, experience, female participation, compliance of such desired profiles by current Board members, identification of gaps between ideal and existing profiles, and the design of training plans to close these gaps. In this way, the continuous improvement of the Board is guaranteed through an ongoing review.

In 2015 the Company monitored corporate governance measures at the global and regional levels through the review and study of different sources. Noteworthy is the research conducted with the support of CESA (***Colegio de Estudios Superiores de Administración***) and the Private Competitiveness Council (***Consejo Privado de Competitividad***), which analyzed the performance of the companies listed in the principal Latin American stock exchanges and its relation to the implementation of the best information disclosure practices. Grupo Nutresa was one of the companies included in the research.

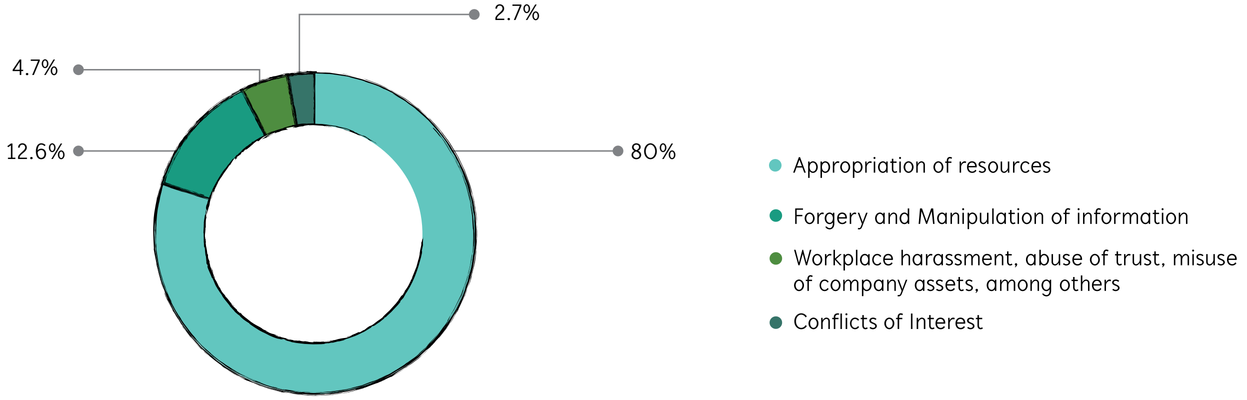
Ethics hotline

ETHICS HOTLINE [G4-57] [SDG 16] [G4-58] [SDG 16]

The most significant risks associated with ethics and transparency are fraud, money laundering, financing of terrorism and corruption.
During 2015, **150 incidents** in violation of the Anti-Fraud and Anti-Corruption Policy were committed against Grupo Nutresa companies, for an estimated value of **COP 1.27 billion,** classified as:

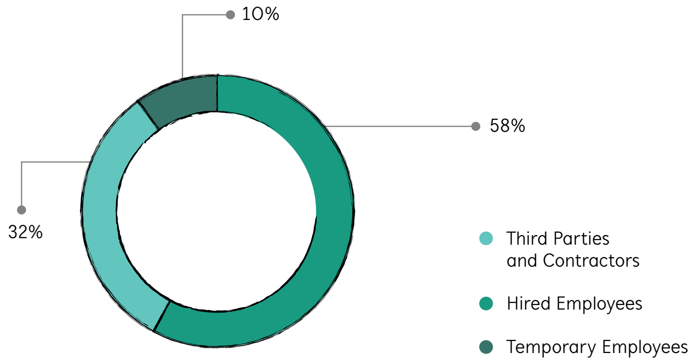
- **120 cases** of appropriation of resources.
- **19 cases** of forgery and manipulation of information.
- **4 cases** of conflicts of interest.
- **7 cases** of workplace harassment, abuse of trust, misuse of Company assets, among others.

TYPES OF IMPROPER ACTS



Two hundred seventy two (272) people related to the Grupo Nutresa companies, either through **employment contracts (68%)** or service contracts **(32%)**, were involved in these incidents. All of them had their contractual relationship terminated and the relevant legal actions were interposed. The Grupo Nutresa companies have insurance policies with adequate coverage to address the impact of these actions. [G4-SO5] [SDG 16]

TYPE OF RELATIONSHIP



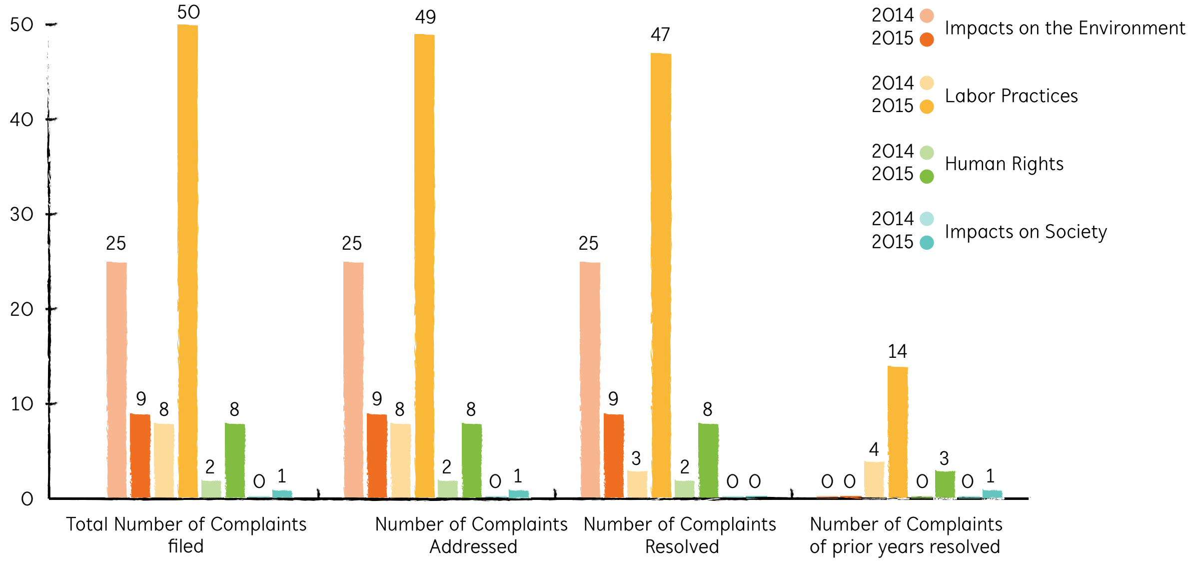
Some of these cases were reported through the Ethics Hotline. A total of **67 reports** were received through this complaint mechanism during 2015, all of which were channeled to the areas responsible in each of the businesses. Of these reports, **82% involved employees and 18% involved third parties.**

GRIEVANCE MECHANISMS

Grupo Nutresa also has various mechanisms – such as Customer Service lines, Coexistence Committees, the Human Rights Tactical Committee, suggestion boxes, and Human Resources teams – through which complaints are received and which allow the Company to identify and manage complaints on labor practices, human rights, impacts on communities, clients and the environment.

Collaborators Pastas Doria. Mosquera, Colombia.

Complaints filed addressed and resolved through formal grievance mechanisms
[G4-EN34] [SDG 16] [G4-LA16] [SDG 16] [G4-HR12] [SDG 16] [G4-SO11] [SDG 16]



Sol Beatriz Arango Mesa, Grupo Nutresa's Vice President of Sustainable Development, was invited to participate in a panel called "Disclosure Practices, Good Governance and Investor Trust", which also included the participation of Francisco Reyes, Colombian Superintendent of Corporations; Juan Pablo Córdoba, President of the Colombian Stock Exchange; and Luis Fernando Rico, General Manager of ISAGEN. This panel concluded that "the disclosure of information and corporate transparency is a commitment of all of us, and the lack of such transparency converges into a problem for all of society."[1]

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[1] Official website of the CESA - Superior Studies School of Management.

BOARD OF DIRECTORS [G4-34] [G4-38] [SDG 5]

Antonio Mario
Celia Martínez-Aparicio
2005*

Finance, Audit and Risk Committee.
Appointment and Retribution Committee.
Corporate Governance and Board Issues Committee.
Strategic Planning Committee.

Chief Executive Officer Promigas S.A.

Previous experience
CFO Promigas S.A.
Manager Terpel del Norte.

Studies
Degree in Engineering – Worcester Polytechnic Institute
Executive studies at MIT, Wharton and Universidad de los Andes

Jaime Alberto
Palacio Botero
2005*

Finance, Audit and Risk Committee.
Corporate Governance and Board Issues Committee.

General Manager Coldeplast S.A. and Microplast S.A.

Previous experience
Assistant General Manager Microplast S.A.

Studies
Degree in Business Administration–Universidad EAFIT
Management studies with a focus on marketing at Wharton
Advanced studies in packaging at the JICA in Japan.

Mauricio
Reina Echeverri
2007*

Finance, Audit and Risk Committee.
Appointment and Retribution Committee.
Corporate Governance and Board Issues Committee.
Strategic Planning Committee.

Associate Researcher Fedesarrollo

Previous experience
Assistant Manager Fedesarrollo
Colombian Deputy Minister for Foreign Trade.

Studies
Degree in Economics–Universidad de los Andes
Master's Degree in Economics – Universidad de los Andes
Master´s Degree in International Relations–John Hopkins University

- ● **1.** Antonio Mario Celia Martínez-Aparicio
- ● **2.** Jaime Alberto Palacio Botero
- ● **3.** Mauricio Reina Echeverri
- ● **4.** David Emilio Bojanini García
- ● **5.** Gonzalo Alberto Pérez Rojas
- ● **6.** María Clara Aristizábal Restrepo

● Independent Members
● Non-independent Members

David Emilio Bojanini García
2005*

Appointment and Retribution Committee.
Corporate Governance and Board Issues Committee.
Strategic Planning Committee.

CEO Grupo de Inversiones Suramericana S.A.

Previous experience
CEO Fondo de Pensiones y Cesantías Protección S.A.
Actuary Manager Suramericana de Seguros S.A.

Studies
Degree in Industrial Engineering - Universidad de los Andes
Master´s Degree in Business Administration majoring in Actuarial studies–Michigan University

Gonzalo Alberto Pérez Rojas
2005*

Finance, Audit and Risk Committee.

Suramericana S.A. CEO

PPrevious experience
Chief Insurance and Capitalization Officer Suramericana de Seguros
Chief Officer for Corporate Business Suramericana de Seguros.

Studies
Attorney Universidad de Medellin
Specialized studies in Insurance–Swiss Re

María Clara Aristizábal Restrepo
2013*

Strategic Planning Committee

Manager Corporate Strategy Grupo Argos S. A.

Previous experience
Assistant to the CEO and Head of Investor Relations for Grupo Argos S.A.
Head of Economic Research Bolsa y Renta S.A.

Studies
Master's in Business Administration MBA - New York University
Specialized Studies in Finance and Law–New York University
Specialized Studies in Finance–Universidad Eafit
B.A. in Economics majoring in Mathematical Economics – Universidad Eafit

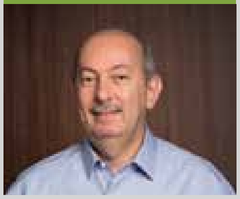
* Date of joining the Board of Directors

Finance, Audit and Risk Committee.	① ② ③ ⑤	Corporate Governance and Board Issues Comitee.	① ② ③ ④
Appointment and Retribution Commitee.	① ③ ④	Strategic Planning Committee.	① ③ ④ ⑥

MANAGEMENT TEAM [G4-34] [G4-35] [G4-36] [SDG 5]

Corporate team

Carlos Ignacio Gallego Palacio
CEO



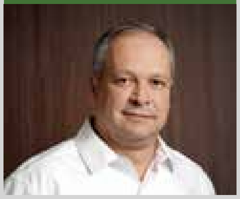
José Domingo Penagos Vásquez
Vice President
Corporate
Finances-CFO

Jairo González Gómez
Vice President General
Counsel Manager,
Legal Assistance

Business unit team

Diego Medina Leal
President, Cárnicos
Nutresa
Vice President
Logistics

Alberto Hoyos Lopera
President, Galletas
Vice President
Northern Strategic
Region



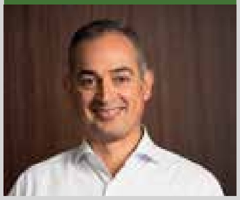
Jorge Eusebio Arango López
President, Chocolates
Vice President Southern Strategic Region

Justo García Gamboa
Presidente, Tresmontes
Lucchetii, Vice President
Strategic Region of
Chile and Mexico

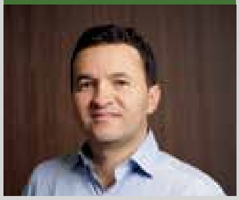
Miguel Moreno Múnera
President, Cafés
Nutresa

Juan Chusán Andrade
President, Retail Food

Mario Alberto Niño Torres
President, Helados
Nutresa, Vice President
Innovation and Nutrition



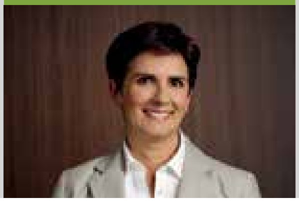
Fabián Andrés Restrepo Zambrano
President, Pastas
Nutresa



Transversal activities team

Álvaro Arango Restrepo
President, Comercial
Nutresa, Vice President
Marketing and Sales

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



To learn more about the management team go to
2015report.gruponutresa.com/our-organization/corporate-model/management-team/?lang=en

RISK AND COMPLIANCE [G4-DMA]

Collaborators Novaventa. El Carmen de Viboral, Colombia.

Purpose

To support decision making and guide the implementation of prevention, risk mitigation and crisis management actions that, together with compliance activities, seek to protect the resources, corporate reputation, operational continuity, legal and regulatory compliance, employee safety, and trust building with the stakeholders.

Strategy	Progress 2015
Integrate risk management into the corporate strategy.	The risk maps of Grupo Nutresa and its business units were updated, having as a starting point the corporate strategy and the Materiality Matrix, connecting them to the tactical and operational levels. Best practices for corporate governance were included from the "Código País" regarding risk management within the functions of the Board of Directors and its support committees, and in the Integral Risk Management Policy.
Strengthen the risk management culture within the Organization.	More than 500 employees were trained nationally and internationally in risk and crisis management and business continuity. Raising awareness and training on the risks associated with Money Laundering and Financing of Terrorism (ML/FT) was conducted with more than 15300 [G4-SO4] **[SDG 16]** employees and third parties.
Increase organizational resilience.	The first cycle of the Business Continuity Project was concluded in the principal production plants in Colombia; this included tests related to the Disaster Recovery Plan (DRP) for information technology systems. A crisis management protocol for social media was developed.
Monitor and ensure legal and regulatory compliance.	Legal surveillance management for the protection of personal data, competition, and labor, tax and environmental regulations, among others, was consolidated. The consolidated quarterly Financial Statements, prepared under the International Financial Reporting Standards (IFRS), were presented to the market. Progress was made in implementing the management system to prevent and control the risk of ML/FT with awareness activities in international operations.

Risks and Opportunities

Risk and crisis management is fundamental to carry out proper long–term planning and maintain a sustainable organization over time. Hence, the need for an integral risk management process that considers the assessment and management of risks, communication and monitoring activities, and that is also efficiently complemented with the internal control system to meet existing regulations and standards.

In this context, ensuring integration among the strategic, tactical and operational levels of risk management allows the construction of a holistic vision of the Organization and increases the effectiveness of the processes to identify and analyze current and emerging risks. To mitigate eventual integration problems of this methodology, complementary approaches have been adopted to assess risks at the different levels and reach the critical processes of the value chain.

Furthermore, proper communication and appropriation by employees of the risk management culture contributes significantly to avoiding the materialization of risk and crisis events. So, awareness and training plans have been implemented for employees, providing tools to report events; the Three Lines of Defense Model for risk management was developed with the participation of process leaders and the Risk Management and Internal Auditing departments.

In addition, monitoring regulations and industry operation standards avoid noncompliance and increased sanctions that affect reputation and competitiveness. For this reason, surveillance activities were developed to foster strict compliance with current regulations and the management systems in the different operating environments were strengthened in the different Grupo Nutresa Companies.

Collaborators Compañia de Galletas Noel. Medellín, Colombia.

Future Perspectives

The consolidation of the integrated risk management system as a key input for planning and decision making at the different levels of the Organization is a strategic priority for Grupo Nutresa and one of its biggest challenges.

This challenge involves ensuring that the risk and crisis management culture is internalized in all processes of the businesses, where their development should be promoted in accordance with the Company's constant dynamics.

For this reason, developing the risk and crisis maturity model will continue, as well as encouraging awareness and training strategies to identify, assess and report risks, incorporating virtual tools that help extend the reach of this initiative throughout the Organization. Likewise, the risk and control processes will be strengthened, under the Three Lines of Defense Model, promoting the active participation and implementation of controls by process leaders and integrating surveillance functions of the Risk Management department, and the independent assurance of Internal Auditing.

In compliance management, a complete evaluation and diagnosis will be conducted in terms of the legal and regulatory environments applicable to operations, in order to undertake a deliberate process to close gaps and adopt best global practices in the matter, thus ensuring the Organization's sustainability.

Remarkable Achievements

Grupo Nutresa obtained the **highest score in the world in the food sector in risk and crisis management in the Dow Jones Sustainability Index (DJSI) 2015.**

MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

A noteworthy success story is the 750 assessments of financial, strategic, operational, human rights, climatic and natural risks conducted in all Grupo Nutresa companies.

Collaborators Meals of Colombia. Bogotá.

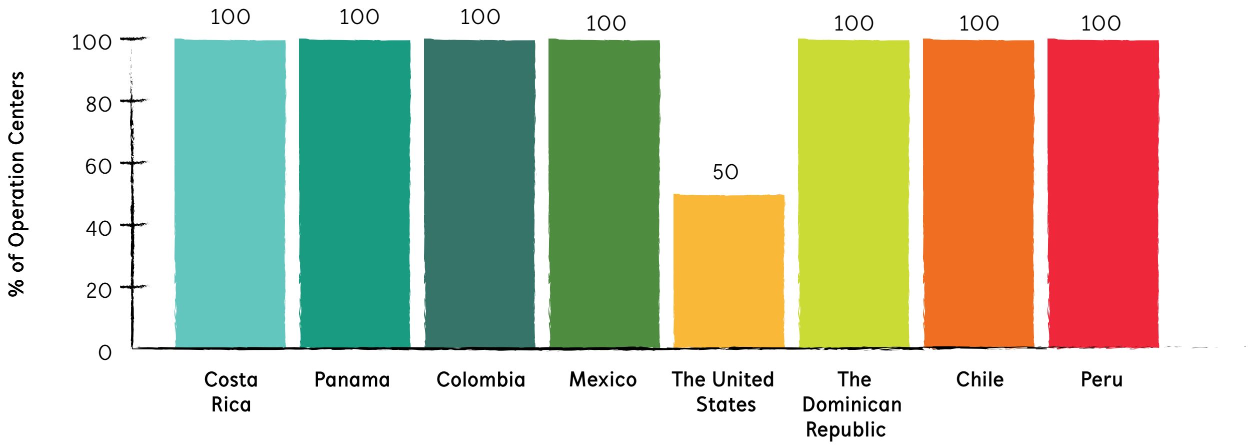
Progress 2015

RISK AND CRISIS

In 2015, the integral risk management process consolidated the focus of assessing risks through the ***Top–Down*** corporate strategy, which has connected Senior Management's identification and analysis activities to the tactical and operational levels, to build a comprehensive vision of the Organization, strengthen the effectiveness of the process and treat current and emerging risks.
As a result of the implementation of this focus, more than 750 risk assessments were completed, which comprised the eight business units, transversal companies and international operations, analyzing financial, strategic, operational, climatic and natural risks, and human rights. **[G4 -SO3]** **[SDG 16]** **[G4 -HR9]**.

Operations Centers Subject to Evaluation in Human Rights **[G4 -HR9]**.

Data for Significant Operations



Regarding the generation of a risk management culture, more than 15,300 direct and temporary employees and contractors **[G4-SO4]** **[SDG 16]** participated in awareness and training programs to prevent and control the risks associated with Money Laundering and the Financing of Terrorism (ML/FT), which strengthened the human capital. Likewise, more than 500 employees in all Grupo Nutresa businesses were trained in risk and crisis management and business continuity.

In order to contribute to the protection of corporate reputation, the definition and socialization of a protocol for crisis management in social media was developed. Moreover, the first cycle of the Business Continuity Project was concluded under a self-established methodology supported in the ISO 22301 standard and in best international practices. As a result, recuperation strategies were defined and tests were conducted for the principal production plants in Colombia and in Servicios Nutresa, including those related to the Disaster Recovery Plan (DRP), which strengthens the response to events that affect both physical capital, and technological systems and communications.

Looking ahead, one of the greatest challenges in integral risk management consists of consolidating it as a key input for strategic planning and decision making at all levels. For this, advancing in the risk and crisis maturity model will be a priority, as well as promoting initiatives to generate culture and strengthen the internal control system.

COMPLIANCE

The dynamic environmental conditions generated by the advancement of knowledge and globalization result in frequent changes in the regulatory frameworks for Grupo Nutresa, which could involve direct impacts on its financial capital. Therefore, the Organization has information and analysis systems, supported by surveillance through specialized entities, external consultants and trade associations. Also, Grupo Nutresa participates proactively in the construction of new regulations through mechanisms of national and international public consultations.

In 2015, Grupo Nutresa and its companies did not receive significant sanctions or fines for noncompliance with regulations and legislation.
[G4-EN29] [SDG 16] [G4-SO8] [SDG 16]
[G4-PR9] [SDG 16]

Several initiatives were implemented to ensure compliance of the regulations applicable to the companies, among which the following are highlighted:

- Diagnosing compliance with regulations related to the protection of personal data (Habeas Data) in all companies abroad.
- Analyzing the Colombian regulations on competition to train the managerial and sales teams in the companies in Colombia in this matter.
- Training sales and marketing teams of the companies in Colombia on changes that were made in 2015 on regulations that establish the procedures necessary to develop promotional activities.
- Raising awareness of the Good Governance Code in the Grupo Nutresa companies abroad, which incorporated the Policy to Prevent and Control Money Laundering and the Financing of Terrorism (ML/FT).
- For the first time, presenting the consolidated quarterly Financial Statements prepared under the International Financial Reporting Standards (IFRS), addressing the requirements of the Colombian Financial Superintendency, providing relevant information to support the decision making of Grupo Nutresa investors.
- Working closely with tax authorities in the countries where Grupo Nutresa operates, in preparing and analyzing the bills that modify taxes, in order to find regulations that permit greater growth and fiscal efficiency. To this end, Grupo Nutresa has signed six Legal Stability contracts with the Colombian State, which have given transparency to the entire fiscal process and ensure the timely compliance of all obligations.
- In environmental matters, Grupo Nutresa has legal matrices as guidance and consultation elements which, in turn, allow the companies to evaluate potential risks that they could face in possible gaps for full compliance of the requirements that apply to them and reduce their impact on natural capital.
- With regard to labor issues, Grupo Nutresa has a policy for all companies, aligned with the International Labour Organization (ILO) and the constitution and legislation of each country where it operates. Compliance of this policy is ensured through ongoing training of all employees, surveillance, and the advice provided by the Servicios Nutresa labor legal team, to ensure respectful working conditions with our human capital.

In the short term, compliance management will be strengthened with the diagnosis and definition of initiatives that permit complementing the current scope in the Organization; likewise, the process to report financial information using the Extensible Business Reporting Language (XBRL) will begin. Implementation of the system to prevent and control the risk of ML/FT, will continue in line with current regulations, providing instruments for each company to manage its own risks, with emphasis on business processes and consolidating controls in the supply chain.

Collaborators Compañia Nacional de Chocolates. Rionegro Plant, Colombia.

CORPORATE
MODEL

A FUTURE
TOGETHER

STRATEGY FOR OUR FIRST CENTURY 1920-2020

"Our Centennial strategy aims to **double by 2020, our 2013** sales, with a profitability between 12% and 14% of the EBITDA margin.

2x$5.9 trillion = $11.8 trillion

To achieve this, we offer to our consumers **foods and experiences of recognized and beloved brands,** that **nourish, generate wellness and pleasure,** that are distinguished by **the best value for money relation;** widely available in our strategic region, **managed by talented, innovative, committed and responsible people, who contribute to the sustainable development".**

Grupo nutresa
100 YEARS

MEGA 2020
Duplicate our **2013 sales**

Mission

The mission of our Company is increasing value generation, achieving an outstanding return on investments, greater than the cost of capital employed.
In our food businesses, we always seek to **improve the quality of life of the consumers and the development of our people.**
We seek **profitable growth with leading brands, superior service and excellent** national and international distribution.
We manage our activities committed to Sustainable Development, with the best human talent, outstanding innovation and exemplary corporate behavior.

Corporate Philosophy and Performance [G4-56] [SDG 16]

✓ Autonomy with strategic coherence

✓ Good corporate governance

✓ Responsible corporate citizenship

✓ World class competitiveness

✓ Development of our people

✓ Ethics

✓ Participation and collaborative management

✓ Respet

✓ Food safety

Differentiators of our business model

Our people

Human talent is one of our most valuable assets. Our cultural platform is supported by promoting participation environments, developing skills of being and doing, awarding the people and building a brand of leadership, as well as a balanced life forthe people.

Organizational Climate at
a level of excellence

84.4%

Our brands

Our brands are leaders in the markets in which we participate; they are recognized, cherished and part of people's daily life. They are supported by nutritional and reliable products with an excellent value for money relation.

17 Brands with sales over USD 50 Million

USD 50 millions

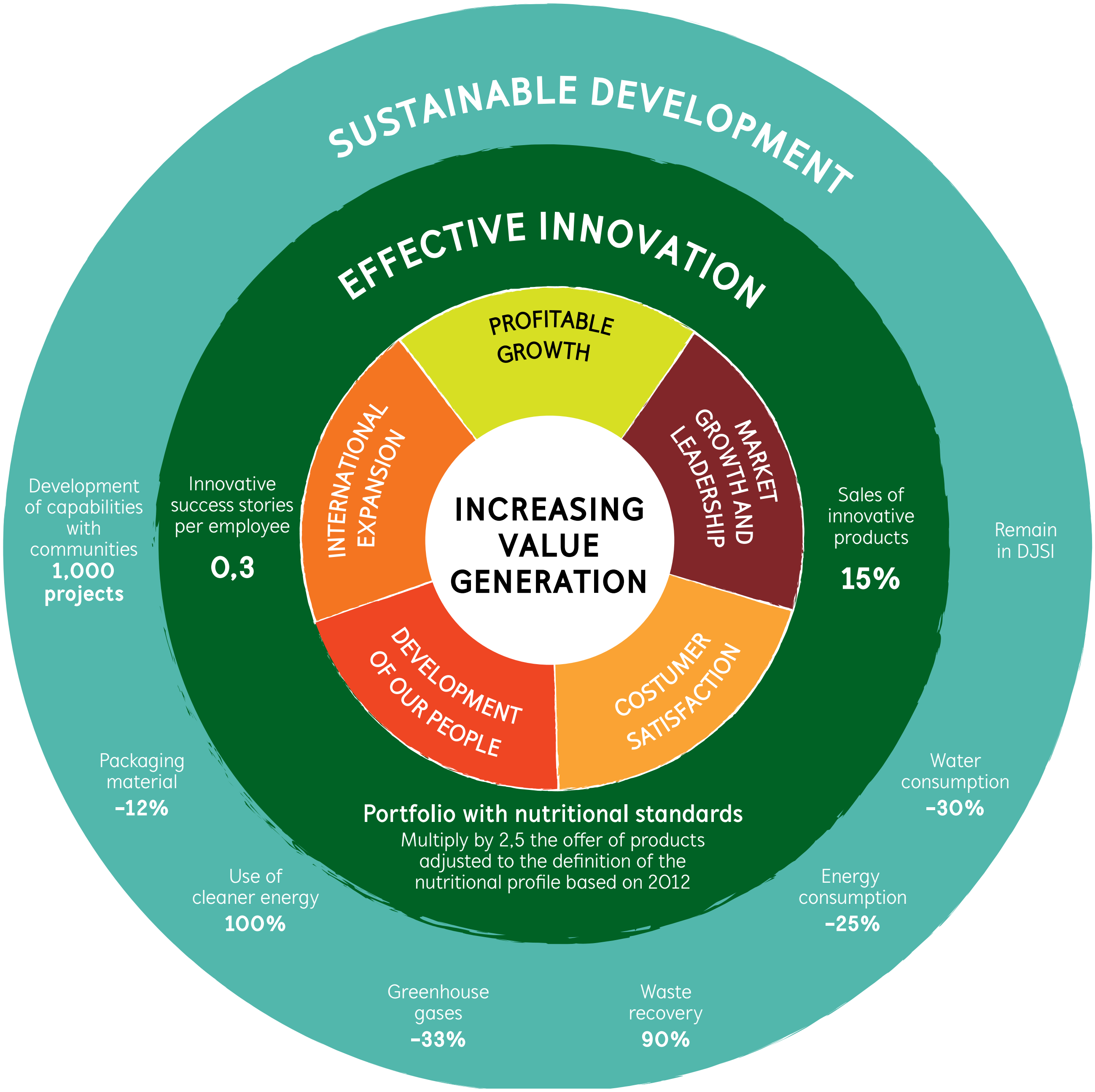
Our distribution network

Our wide distribution network, complemented with a differentiated offer by channels and segments, with teams of specialized staff, allows us to have our products available in the appropriate frequency and a close relationship with customers.

1,206,154

points of sale

STRATEGIC OBJECTIVES FOR 2020



The 2015 results, the short–term goals for 2016 and the goals for 2020 are presented.

ECONOMIC DIMENSION

Double the 2013 sales by 2020 (COP Trillion)
2020: 11.8 • 2015: 7.9

International Sales (USD Million)
2020: 2,000 • 2015: 1,098

EBITDA Margin
2020: between 12% y 14%
2015: 12.3%

Sales of innovative products
2020: 15% • 2015: 16.9%
2016: 16%

Innovative success stories per employee
2020: 0.3 • 2015: 0.2
2016: 0.2

Productivity (kg/Hmod)
2020: +5% annual • 2015: 2.3%
2016: +5% annual

Multiply by 2.5 the offer of products adjusted to the definition of the nutritional profile of Grupo Nutresa
2020: 3,140 SKUs
2015: 2,949* SKUs
*Includes portfolio of Tresmontes Lucchetti

Level of client satisfaction
2020: Maintain the level of excellence
2015:
Colombia 88.5%
Strategic region 89.7%

SOCIAL DIMENSION

Accident frecuency rate
2020: 1.7% • 2015: 2.42%
2016: 2.32%

Organizational climate
2020: 83.3% • 2015: 84.4%
2016: 83.3%

Projects of development of capabilities with communities
2020: 1,000 • 2015: 591*
2016: 694*
*The annual measure system was adjusted therefore the figures were re-expressed.

ENVIRONMENTAL DIMENSION

Water consumption (m^3/t.p.)
2020: -30% • 2015: -22.1%
2016: -25.2%

Energy consumption (kWh/t.p.)
2020: -25% • 2015: -17.7%
2016: -19.0%

Greenhouse gases (CO_2e/t.p.)
2020: -33% • 2015: -16.4%
2016: -16.3%

Use of cleaner energy
2020: 100% • 2015: 97.9%

Packaging material (kg M.E./t.p.)
2020: -12% • 2015: -8.8%
2016: -9.0%

Waste generation
2020: -20% • 2015: -8.9%
2016: -2.9%

Waste recovery
2020: 90% • 2015: 89.5%

Find more information about the indicators at
http://www.gruponutresa.com/es/content/ficha-tecnica-metas-objetivos-estrategicos-2020

INTEGRATED MANAGEMENT OF RISKS AND MAIN BUSINESS RISKS [G4-2] [G4-14]

Risk Assessment

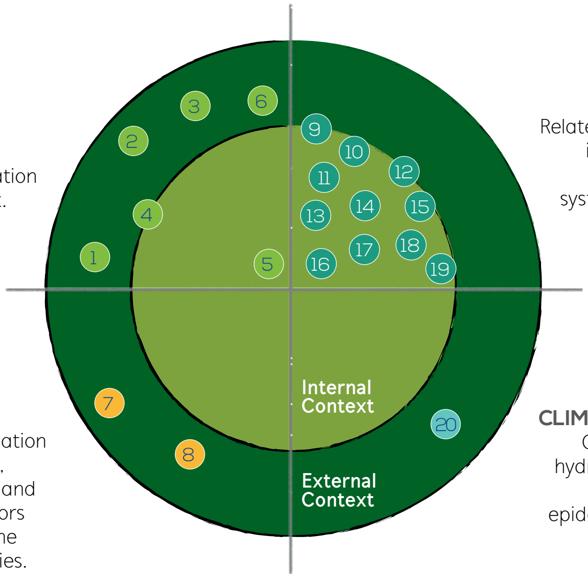
In 2015, the process of Integral risk management was aimed at consolidating the focus of risk analysis from the corporate strategy, which was connected at the tactical and operational level, and which achieved an integral vision of the Organization. This facilitated the annual identification, analysis and assessment of risks in all the Grupo Nutresa business units in Colombia and in its international operations. As a result, the corporate risk catalogue was updated with a total of 20 risks, in the following categories:

INTEGRAL RISK MANAGEMENT IN 2015

- Updating risk maps for each of the eight business units, marketers and shared – service center.
- There were 670 strategic and tactical assessments.
- There were 90 risk assessments in Human Rights in Colombia and international platforms.
- More than 500 employees were trained in risk and crisis management and business continuity.

STRATEGIC:
Linked to strategic training of the Organization and its relation with the environment.

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



OPERATIONAL:
Related to failures by people, internal processes, or management systems and technology.

CLIMATIC AND NATURAL:
Caused by climatic, hydrological, geophysical, biological and epidemiological conditions.

Corporate Risks:

① Involvement of business due to a highly competitive environment

② Regulatory changes in nutrition, health and obesity

③ Involvement of the Organization due to political changes in the countries where it operates

④ Lack of availability of human talent

⑤ Lack of opportunity to respond to changes in consumer preferences

⑥ Involvement of commercial management due to changes in the structure and composition of distribution channels

⑦ Volatility in prices of raw materials and exchange rates

⑧ Counterparty risks

⑨ Involvement of the integrity or security of employees in executing their tasks

⑩ Involvement of the environment

⑪ Interruption of the supply chain

⑫ Involvement of consumers due to product contamination

⑬ Internal or external violation of Human Rights

⑭ Collapse of information and communication systems and technologies

⑮ Lack of ethics or inappropriate conduct of employees or third parties

⑯ Loss of key information for the Company

⑰ Involvement for the use of raw materials with genetically modified organisms (GMOs)

⑱ Client or consumer dissatisfaction due to noncompliance of product specifications, service or promise of value

⑲ Involvement of third parties due to the development of operations, or from clients and visitors in restaurants and points of sale

⑳ Involvement due to climatic and natural phenomena

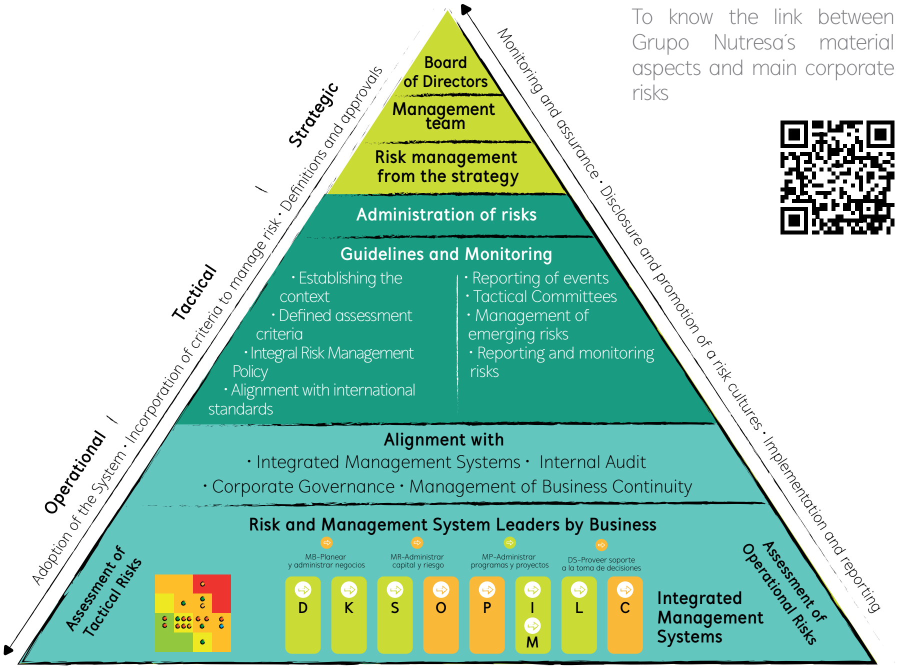
Principal Risks

Based on the assessment, the principal risks to the Organization were identified according to their probability and impact on Grupo Nutresa's strategic objectives:

PRINCIPAL RISKS	TREATMENT MEASURES
Volatility in prices of raw materials	• Diversification of raw materials • Hedging policies, with levels of risk clearly defined and administered by a specialized committee • A highly trained team dedicated to monitoring and negotiating supplies and the exchange rate • Permanent search for new opportunities and schemes for efficient, competitive global sourcing of raw materials
Involvement of business due to a highly competitive environment	• Significant distribution capabilities with a differentiated strategy to address different segments • Commercial management supported by the deep, integrated understanding of the market • Attractive proposals with a good price/value relation • Recognized, beloved brands • Portfolio innovation and differentiation • Search for entry into new markets
Regulations in nutrition and health matters in the countries where Grupo Nutresa is present	• Vidarium: Nutrition Research Center • Active participation with governments to discuss regulations • Monitoring and strict compliance of the regulations of each country • Innovation to develop new products and improve existing ones • Support for and participation in programs that promote healthy living • Responsible management of marketing and advertising

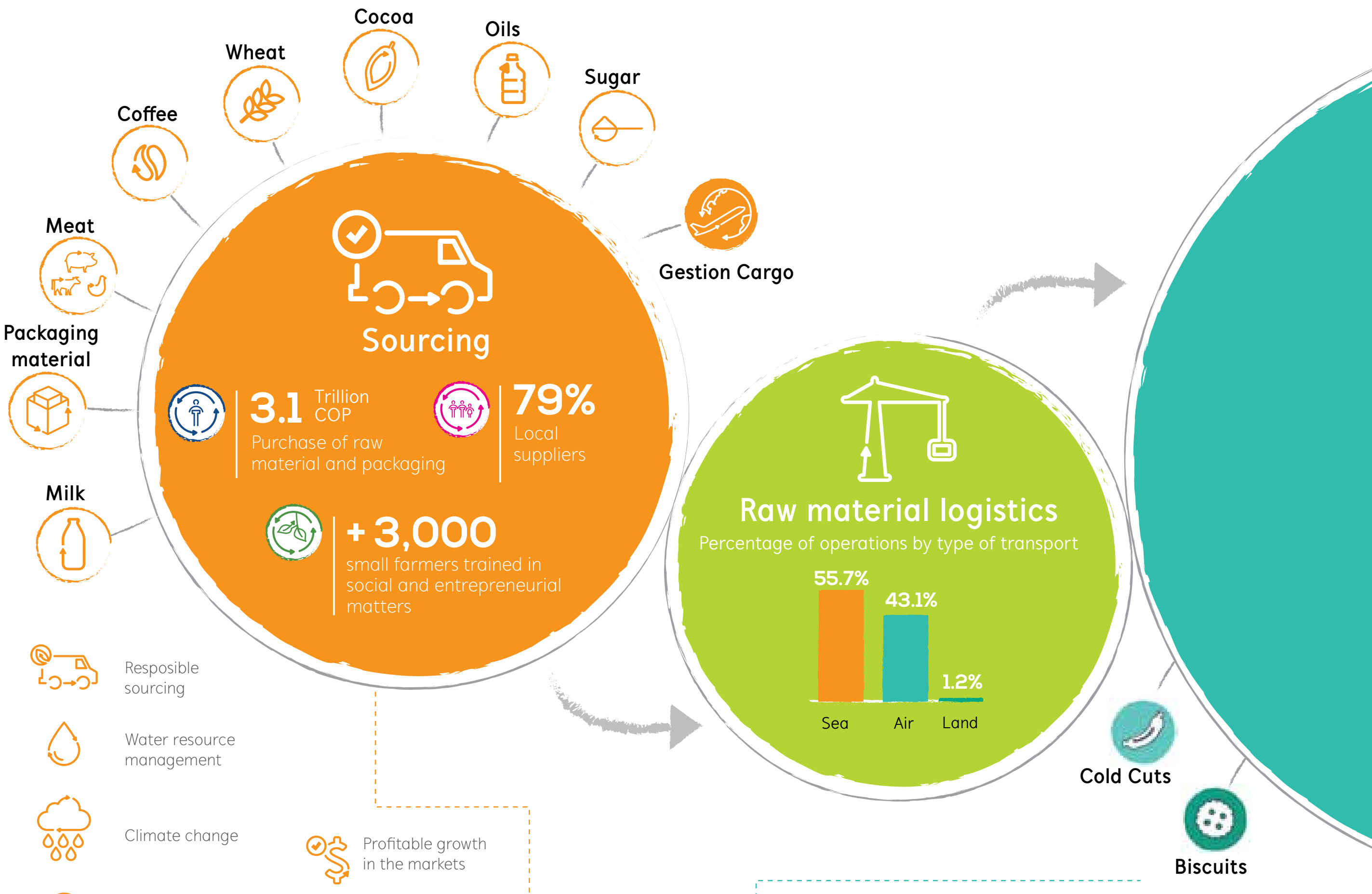
Maturity Model and Levels of Management

As part of Grupo Nutresa's maturity process for the risk management system, based on standard ISO 31000, the Board of Directors approved the updating of the Integral Risk Management Policy, which incorporated the best practices of the new Country Code in matters of risk and some elements from the Three Lines of Defense model, which considers the leaders of processes, the area of Risk Administration, and Internal Audit. Thus, the different levels of the Organization's risk management and its main responsibilities were consolidated, as outlined next:



To know the link between Grupo Nutresa's material aspects and main corporate risks

VALUE CHAIN [G4-2] [G4-8] [G4-12] [G4-20]



Coffee

Wheat

Cocoa

Oils

Sugar

Meat

Packaging material

Milk

Gestion Cargo

Sourcing

3.1 Trillion COP
Purchase of raw material and packaging

79%
Local suppliers

+3,000
small farmers trained in social and entrepreneurial matters

Raw material logistics

Percentage of operations by type of transport

Cold Cuts

Biscuits

Resposible sourcing

Water resource management

Climate change

Human rights

Risk and compliance

Profitable growth in the markets

Food safety

Packaging and post consumption

Material issues in the process

Corporate governance

Nutrition and healthy life

Human rights

Risk and compliance

Food safety

Climate change

Profitable growth in the markets

Effective innovation

Development of our people

Water resource management

The different capitals with which Grupo Nutresa interacts are presented in this graph. They are located in the stage of the process where their main transformation occurs. To identify them you can use the following iconography:

Human capital
Skills, competences, knowledge, commitment

Financial capital
Economic resources

Intelectual capital
Intellectual property, innovation, applied research

Physical capital
Buildings, equipment, infrastructure

Natural capital
Water, soil, air, energy, biodiversity and ecosystems

Social capital
Relations with stakeholders and reputation

Grupo nutresa

Operation

45,084 employees

19 Centros de operación certificados ISO 14001

1,101,167* Tons Produced

3,406 Innovative Success Stories

45 Production plants

581,404 Employee training hours

2,164,000* m³ of water

766* GWh of energy

Pasta

Ice Cream

Retail Food

Coffees

Chocolates

Tresmontes Lucchetti

- Energy
- Quality of life
- Packaging and post consumption

*Productive plants in: Mexico, Costa Rica, Colombia, Peru and Chile.

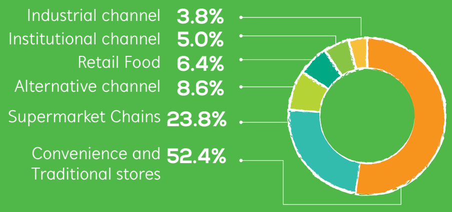
Distribution and sales

1,206,154 Points of sales

3,240 Products references

11,704 Number of vendors

950 Trained clients



Opperar Colombia

Comercial Nutresa

Novaventa

La Recetta

- Corporate governance
- Risk and compliance
- Profitable growth in the markets
- Reliable brands with excellent value for money relation
- Effective innovation
- Nutrition and healthy life
- Responsible marketing
- Food safety
- Development of our people
- Quality of life
- Responsible sales
- Development of capabilities and education
- Energy
- Climate change
- Packaging and post consumption
- Human rights

Retail Food

9 Coffee shops

510 Restaurants and Ice Cream shops in Colombia

320 Restaurants and Ice Cream shops abroad

Coffee shops

Ice Cream shops

Restaurants

For more information about the connection between the material issues of Grupo Nutresa and main corporative risks, visit: http://2015report.gruponutresa.com/pdf/relevant_issues_related_to_risks_and_scope.pdf

Corporative roles and their contribution to the Mega 2020

Carlos Ignacio Gallego Palacio
CEO GRUPO NUTRESA

In Nutresa since 1991 /**age: 51 years old**

With the support of a competent management team, I have the challenge to lead the formulation of corporate strategy and ensure that it is efficiently disclosed in the different companies, with a talented, committed team.

Our management philosophy recognizes that differences exist among the business units, and we encourage and promote their independent action, always within a framework of strategic coherence.

My main responsibility is to ensure the capabilities of Grupo Nutresa and identify risks and opportunities in the medium- and long-term, it is also to inspire, influence and guide decisions that lead the Organization to achieve its dreams.

I must ensure profitable growth that allows building a better world where sustainable development is for everyone.

Finally, among my priorities are building trust inside and outside the Organization, and strengthening the pillars of the business model: people, brands and distribution networks, in a framework of innovation and sustainable development.

Previous Experience
- President, Chocolates Nutresa
- Vice President Southern Strategic Region
- President, Servicios Nutresa
- General Director, Fundación Nutresa
- Industrial Vice President, Compañía Nacional de Chocolates, S.A.
- Director Production Division, Compañía Nacional de Chocolates, S.A.
- Factory Manager, Compañía Nacional de Chocolates S.A.

Studies
- Civil Engineer, EAFIT University.
- Master in Business Administration, EAFIT University

José Domingo Penagos Vásquez
VICEPRESIDENT OF CORPORATE FINANCES – CFO-

In Nutresa since 2013 / **age: 40 years old**

The Office of the VicePresident of Corporate Finances – CFO- is responsible for accompanying the definition and implementation of the Organization's expansion strategies, from the ongoing, systematic search for organic and inorganic growth opportunities. This division manages the acquisition process of companies in our strategic region that demonstrate differentiating strengths in our business model: people, brands and distribution networks, and it accompanies the business units in structuring their strategic projects for organic growth.

Supported by a structured budgetary, planning and projection process, it ensures the availability of adequate information for decision making, and the definition of medium– and long–term objectives and goals to create value for shareholders.

The CFO accurately presents the Grupo Nutresa business model to investors, offering a superior level of service that ensures timely access to information to support the investment decision–making process.

It also takes care that Grupo Nutresa has an appropriate capital structure, with diverse sources of funding, both in capital markets and the banking sector, with a moderate risk profile, and a payment plan aligned with our cash flow at the lowest possible cost.

The role of the CFO also includes managing the strategy of hedging the foreign exchange risk, which seeks to mitigate the impact of currency volatility to which we are exposed.

Finally, it supports the CEO in strategic planning, monitoring acquisitions and managing special projects.

Previous Experience
- Director of Corporate Finance, Bancolombia Investment Bank.
- Head of Planning, Confecciones Colombia (Everfit).

Studies
- Administrative Engineer, School of Engineering of Antioquia
- Specialist in Corporate Finance and Capital Markets, Universidad Pontificia Bolivariana.

Jairo González Gómez

VICE PRESIDENT GENERAL COUNSEL

In Nutresa since 2007 / **age: 49 years old**

The Vice President General Counsel supports the achievement of Grupo Nutresa's strategy, ensuring legality, transparency, integrity and ethics in all its actions.

It plays a strategic role in supporting Grupo Nutresa´s expansion process, through acquisitions and organic growth, both in Colombia and abroad. It is committed to doing business with integrity and respect, with a talented, efficient, and committed team.

The main areas of practice are corporate law, mergers and acquisitions, commercial law, contracts, procedural law, intellectual property and regulatory issues in the food industry.

It seeks to maintain a legal team aligned with the needs of the companies, aware of the behavior and dynamics of the environment, enabling us to offer suitable, practical solutions that simplify complex situations in the industry and markets.

Our commitment is to remain at the forefront in matters of corporate governance, by developing management, disclosure and control policies, aligned with the highest standards, improving organizational reputation to benefit shareholders and other stakeholders.

Previous Experience

- Founder and Director, González Gómez Abogados Legal Firm
- External Legal Advisor, Grupo Nutresa
- Member of Ignacio Sanín Bernal & Cía. Legal Firm

Studies

- Law and Political Science, Universidad Pontificia Bolivariana.
- Specialization in Commercial Law, Universidad Pontificia Bolivariana.

Sol Beatriz Arango Mesa
VICE PRESIDENT OF SUSTAINABLE DEVELOPMENT

In Nutresa since 1992 / **age: 54 years old**

Through the Vice Presidency of Sustainable Development, we guide Grupo Nutresa´s sustainability strategy and serve as support in its implementation for the Organization to achieve its long term profitable growth proposals, generate progress for the community and ensure efficiency in the use of resources.

For 2015, we highlight the progress in international operations in terms of sustainability, as well as the review of the materiality matrix, where we updated the issues of greatest impact on generating value.

As a result of the hard work carried out for the entire Organization in sustainability, we obtained significant achievements: For the second consecutive year, we were recognized with the "Silver Class" distinction in the RobecoSAM Sustainability Yearbook; for the fifth consecutive year, we were included in the Dow Jones World Sustainability Index (DJSI); and we received the ALAS20 2015 recognition in the categories of Leading Company in Sustainability, ALAS20 Company Colombia, and Latin America Grand Prix Company

Our challenge is to maintain Grupo Nutresa at the forefront of global sustainable practices, to ensure our competitiveness and value creation for different audiences, as well as engage with the main stakeholders to incorporate their expectations into our management and accountability.

The Vice Presidency must also ensure it maintains a cautious monitoring of the best corporate governance practices around the world and promote their implementation in the Organization, together with the Vice-president General Counsel. Besides, to ensure the implementation, communication and reporting process of risk integral management all over the companies is Grupo Nutresa.

Finally, we will continue contributing to sustainable management from the entire value chain, creating a sustainable culture and closing gaps in current operations and in those that are incorporated after an eventual acquisition in the future.

Previous Experience
- President, Chocolates Nutresa
- Vice President Southern Strategic Region.
- Vice President of Corporate Planning, Grupo Nacional de Chocolates S.A.
- Financial and Sistems Vice President, Industrias Alimenticias Noel S.A.
- Financial Manager, Susaeta Ediciones S.A.

Studies
- Production Engineering, EAFIT University.
- Specialization in Finances, EAFIT University
- Specialization in Strategic Management, Pace University, New York

Mario Alberto Niño Torres
VICE PRESIDENT OF INNOVATION AND NUTRITION

In Nutresa since 2006 / **age: years old**

Innovation ensures Grupo Nutresa's sustainable growth and is a fundamental pillar to achieve our Mega 2020 objectives. The ability to innovate is limited not only to the development of new products, but also extends to business models, distribution schemes, technologies and product reformulation. This is the challenge of the Vice Presidency: to ponder innovation at every level, ensuring that it is effective and radical, to deliver value to our consumers and shareholders.

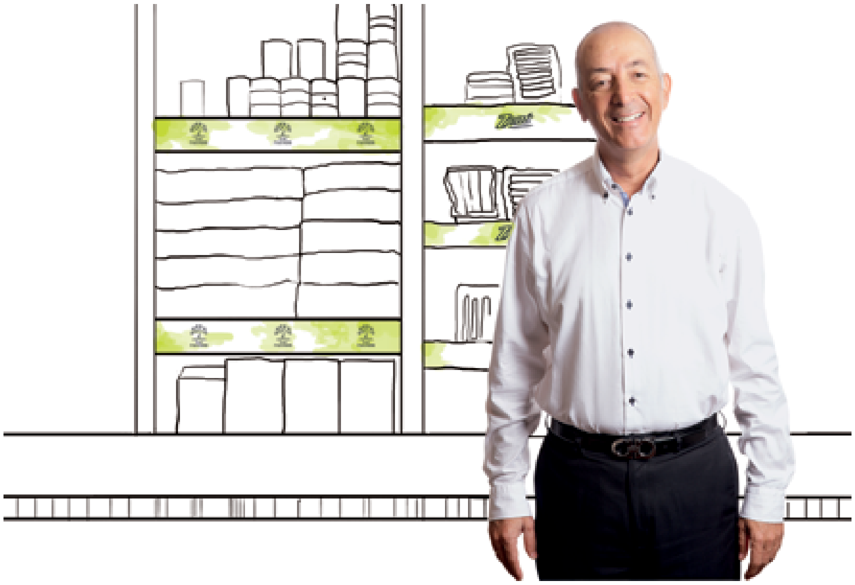
In 2015, the new Governance Model, required for the successful implementation of the new strategy, was defined, and the Corporate Innovation Committee, responsible for the Grupo Nutresa direction and decisions in the matter, was formed. In addition, the new consolidated portfolio of innovation projects was developed and implemented, with which the Corporate Innovation Committee has visibility in all the innovation initiatives that are being advanced in each business.

The commitment Grupo Nutresa has assumed to consumers goes beyond providing them with appetizing, quality products that meet their needs for nutrition and indulgence. For this reason, during 2015, and through the Healthy Lifestyles campaign, we promoted the importance of healthy diets and physical activity.

This year, we will continue working to provide quality of life to consumers with products that satisfy their needs for wellness, nutrition and pleasure. Likewise, we will continue learning their nutritional needs and providing them with adequate information on our brands to make informed, healthy decisions.

Previous Experience
- General Manager, Meals de Colombia S.A.
- Financial Manager, Meals de Colombia S.A.
- Marketing Manager, Meals de Colombia S.A.

Studies
- Business Administrator, Universidad de la Sabana
- SpecialistinStrategicMarketing,Colegio de Estudios Superiores de Administración (CESA)



Álvaro Arango Restrepo

VICE PRESIDENT OF MARKETING AND SALES

In Nutresa since 2001 / **age: 55 years olds**

The fundamental purpose of the Marketing and Sales VP is to enhance Grupo Nutresa brand equity, allowing us to position them in the minds of consumers and gain their preference.

To achieve this, the company starts by generating in–depth knowledge of the three market players: consumers, customers and shoppers. This allows building value proposition focused on their needs and expectations.

Grupo Nutresa has loved and preferred brands with top performance. They reach consumers filling their preferences at any retail environment, presentation or consumption moments, result of a wide distribution and strong sales network.

Distribution networks continue their development in the region, adapting to different geographies. They´ve strengthened their commercial management capabilities, getting closer to their customers and shoppers, specialization in commercial roles, and point–of–sale oriented execution that maximize efficiency and quality in delivering Nutresa´s value proposition.

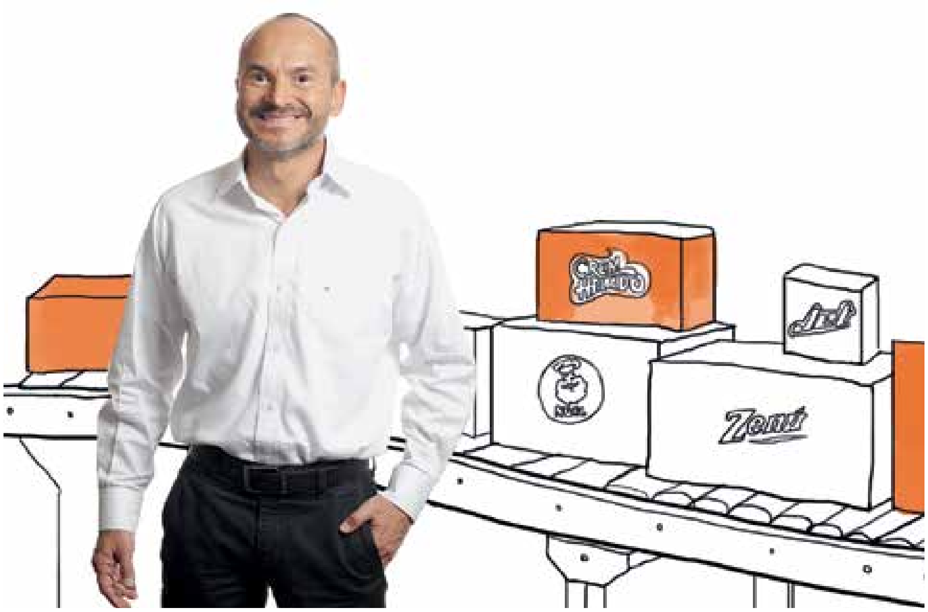
Through our distribution and sales networks, we attend customers from different channels: chain supermarkets, small supermarkets, mom and pop stores, restaurants, institutions, industries, door to door, vending machines and e-commerce.

Previous Experience

- President, Pastas Nutresa.
- General Manager,
  Meals de Colombia S.A.
- Vice President of Marketing,
  Postobón, S.A.

Studies

- Business Administrator,
  EAFIT University



Diego Medina Leal
VICE PRESIDENT OF LOGISTICS

In Nutresa since 1997 / **age: 54 years old**

In the Vice Presidency of Logistics, we work for the optimal development and strengthening of the different distribution networks, one of the differentiating pillars of the Grupo Nutresa business model, and thus ensure our clients the best levels of service at the most efficient cost possible.

This Vice Presidency contributes to Grupo Nutresa's strategic objectives ensuring the quality of logistics services and profitable growth – through an optimal ratio of cost over sales – becoming increasingly more efficient, and monitoring the best practices in the world in terms of logistics and distribution.

As relevant aspects of the management in 2015, noteworthy is the start in providing logistics services by Opperar Colombia to six businesses in ten cities in Colombia, strengthening the practices in sales planning and operations in Comercial Nutresa and the businesses that distribute dry products, and the implementation of a new sourcing practice according to the real – time demand in the Cold Cut Business

Among its challenges, this Vice Presidency aims to maintain impeccable distribution, even with the limitations that could arise in the logistics infrastructure of our countries. We also aim to conduct constant monitoring of the cargo – transport regulations to make the adjustments required in advance, and strengthen the relationship with logistics suppliers.

We will continue to develop the logistics network master plan and execute projects that ensure the distribution capacity of the Grupo Nutresa businesses, in line with the constant evolution of our markets.

Previous Experience
- Financial Vice President, Inveralimenticias Noel S.A
- Financial Engineering Manager, Corfinsura S.A.
- Cali Regional Manager, Corfinsura S.A

Studies
- Electrical Engineer, Universidad Tecnológica de Pereira
- Specialization in Finances, EAFIT University

Alberto Hoyos Lopera
NORTHERN REGION VICE PRESIDENT

In Nutresa since 1993 / **age: 51 years old**

The Northern Region Vice-Presidency must ensure optimum performance of Grupo Nutresa's operations in this area and the constant monitoring of the opportunities and risks that may arise, to ensure the achievements of the goals by 2020.

In relation to the Organization's strategy, among the most relevant aspects of the Vice-Presidency during 2015, noteworthy was the consolidation of the traditional channel coverage through Comercial Pozuelo's network in Central America, reaching more than 150,000 points of sale, improving the cost of distribution and readying the network for new portfolios not yet present in the region.

Our challenge is to support our distribution capability in the United States and capitalize on its growth potential to incorporate new products into the portfolio, strengthen the existing portfolio, expand direct–attention coverage to the strategic regions of the country, and develop a multi–channel distribution.

We continue to add value by strengthening the pillars of Grupo Nutresa's internationalization model, developing the appropriate teams of people, brands with local impacts and distribution networks suitable for these markets.

Previous Experience

- General Manager, Compañía de Galletas Pozuelo Costa Rica
- Manager of International Businesses, Galletas Noel S.A.
- Manager of Procurement, Compañía de Galletas Noel S.A.

Studies

- Mechanical Engineer, Universidad Pontificia Bolivariana
- MBA with an emphasis in International Businesses, EAFIT University

Jorge Eusebio Arango López

SOUTHERN REGION VICE PRESIDENT

In Nutresa since 1991 / **age: 60 years old**

The great challenge of the Southern Region Vice Presidency is to consolidate the distribution network to capitalize on the growth potential of the Grupo Nutresa brands in the markets in Peru and Ecuador, maintaining a high ability to innovate in product launches.

In Peru, our ability to have a strong presence in different categories, which, combined, generates added value and differentiation, is highlighted.

The Vice Presidency must also ensure coverage of the channels in Peru, which already reaches more than 92.000 points of sale, with a 13,5% rate of innovation, with products launched in the market in the past three years, and satisfactory performance in the market.

Our strategic focus is on innovation and strengthening the portfolio of products that provide health, pleasure and wellness to consumers, adjusting to the complexities of the new health laws and packaging markings for the market in Ecuador.

Previous Experience

- President, Cafés Nutresa
- Vice President Sustainable Development
- International Vice President, Compañía Nacional de Chocolates S.A.
- Financial Manager, Compañía Nacional de Chocolates S.A

Studies

- Economist, Universidad de los Andes
- Specialization in Finances, EAFIT University
- Master in Financial Studies, Strathclyde, Glasgow, Scotland.

Justo García Gamboa

VICEPRESIDENTOFTHESTRATEGICREGIONOFCHILE AND MEXICO

In Nutresa since 2013 / **age: 53 years old**

The principal responsibility of the Vice Presidency for the region of Chile and Mexico is to lead the performance of these two strategic locations to achieve the goals of Grupo Nutresa, both in financial performance and best sustainability practices. We must also be alert to opportunities that may arise to acquire relevant companies in both countries and to monitor regulatory changes that may bring challenges to the Organization.

In Chile we have the dual challenge of strengthening existing brands and actively studying the introduction of new categories not yet present in this region. We also need to achieve the successful development of the new cracker line under the Kryzpo brand and mitigate the impact of exchange rates in the region on some raw materials, through price management and improved efficiencies in several areas.

In the case of Mexico, we recognize that there is a high potential for the future development of Grupo Nutresa. We want to gradually increase the scale and strength of businesses and the depth of our portfolio, being aware of the high level of competition and the opportunities that the Organization's business model and capabilities offer.

The key priorities for the Vice Presidency in Mexico are the optimal integration in the distribution network for the Chocolate Business, the ability to capture the positive dynamics offered by the local market, successfully developing the Lucchetti pasta brand business and the local production of cold instant beverages.

Both countries offer favorable demographic, political and economic conditions, in which Grupo Nutresa expects to satisfactorily continue its profitable growth

Previous Experience

- General Manager, Tresmontes Lucchetti
- Differentresponsibilitiesinthecommercialareasofthecompany,Tresmontes Lucchetti
- National and international mass consumption food companies in Chile.

Studies

- CommercialEngineer,UniversidadAdolfo Ibañez, Economics Faculty
- Administration, Universidad Federico Santa María

BUSINESSES
PERFORMANCE

A FUTURE
TOGETHER

CÁRNICOS NUTRESA

Diego Medina Leal

[In Nutresa since 1997/ age: 54 years old]

President

HIGHLIGHTS 2015

- Positive dynamics of the categories in which we are present, with a significant increase in the market share.
- We continued to optimize our portfolio of products: fewer references (SKUs) and withdrawal of the Rica brand on the Atlantic coast.
- Consolidation of the Zenú brand as category leader; Rica and Cunit as defending brands, focused on the regions of impact; Ranchera, with a value proposal supported by experiences and satisfying taste; and Pietrán, as the specialized brand in care, promoting healthy lifestyles.
- Effective innovation: new easy–open–and–close Pietrán packaging, Practi sándwich Zenú and hot–dog–type sausage by Rica.
- Development of the client segmentation model to strengthen our value proposal, our level of service and distribution, achieving a superior rate of satisfaction with our clients.
- Adapting our operation to the challenges of the environment, optimizing the operation of our pig farms, increasing productivity in our production plants and strengthening our logistics operation.
- Venezuela: flexible operations network, seeking to adapt to the changing environment.
- Panama: consolidation of the portfolio of brands and products, ensuring an attractive value proposal for our consumers.

Sales

Total sales

COP Billions

Cold Cuts represents **24.0%** of the total sales of Grupo Nutresa.

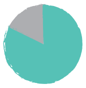
2015	**1,909**	**9.4%**
2014	1,745	-8.7%
2013	1,911	10.6%

CAGR 0,0%*

*Compound Annual Growth Rate

Sales in Colombia

COP Billions



Sales in Colombia represent **82.4%** of the total sales of the business unit.

		Price	Volume
2015	**1,573**	**5.0%**	**2.5%**
2014	1,460	2.0%	8.5%
2013	1,320	-1.0%	4.7%

CAGR 6.0%

Abroad sales

USD Millions

Abroad sales represent **17.6%** of the total sales of the business unit

2015	**118**
2014	140
2013	308

CAGR -27.4%

Innovation sales

(% of the total sales)

2015	**17.9%**
2014	20.4%
2013	25.3%

Main categories

(% of the total sales)

🟢 Cold meats	**72.2%**
🟣 Long life	**7.5%**
🟠 Others	**20.3%**

Market share in Colombia (%)

	Variation
73.5%	0.2%
91.7%	1.2%

Ebitda

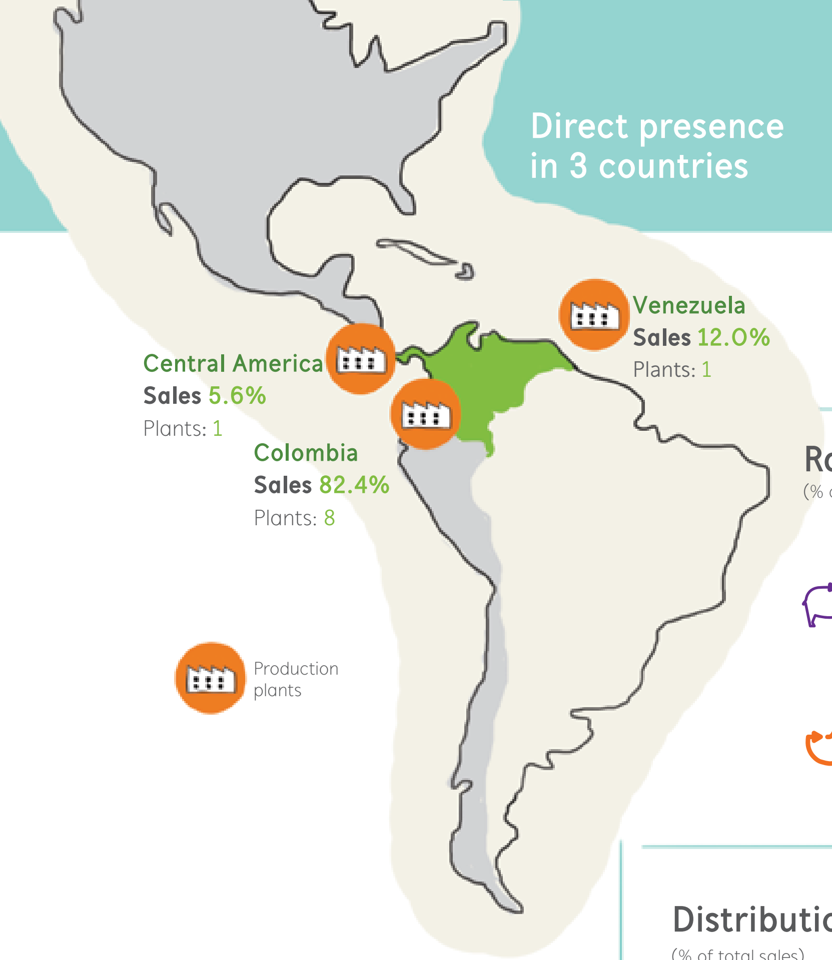
COP Billions

This represents **23.8%** of the total EBITDA of Grupo Nutresa

			Margin
2015	**232**	**10.0%**	**12.2%**
2014	211	-16.6%	12.1%
2013	253	14.4%	13.3%

CAGR -2.8%

Direct presence in 3 countries



Raw materials

(% cost of production)

Pork **30.7%**

Beef **15.9%**

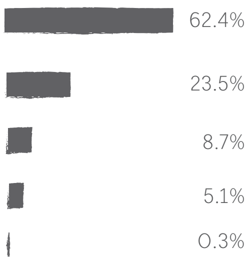
Poultry **8.4%**

Packaging material **9.2%**

Others (Includes direct labor, IMC and other minor raw materials) **35.8%**

Distribution channels

(% of total sales)



Convenience and Traditional stores	62.4%
Supermarket Chains	23.5%
Alternative	8.7%
Institutional	5.1%
Industrial	0.3%

Increase in productivity

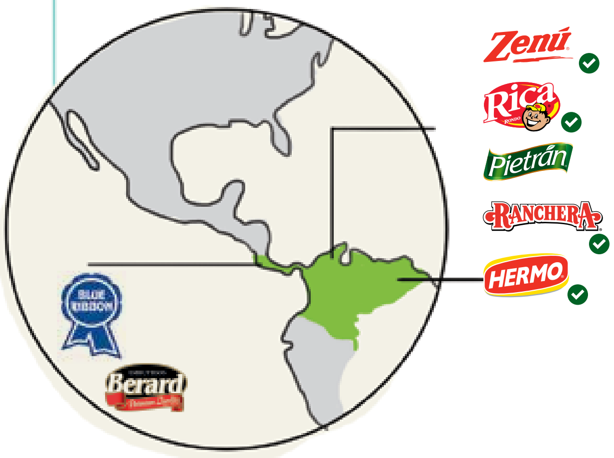
(Kg/Hmod)

2015	**2.1%**
2014	6.5%
2013	7.3%

OUTLOOK 2016

- Sustained growth of our categories, supported by the strength of our brands and effective innovation.
- Through our value proposal, respond to consumer needs, wishes and possibilities, ensuring we maintain our market leadership.
- Strengthen profitable market arrival, with timeliness, coverage, availability and efficiency, and with the right portfolio for each client.
- Reduce the impact of devaluation on the cost of our raw material, strengthening our integration schemes in pork and beef supply.
- Continue with different pricing strategies to mitigate the impact on profitability, due to higher costs of raw materials denominated in Dollars.
- Achieve efficiencies across our operating model, adapting to consumer needs and market conditions in a timely, efficient manner.

Presence of our main brands

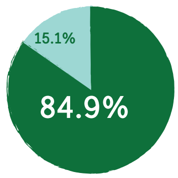


✓ Brands with sales>50 USD Millions

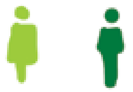
Employees

9,930

(Direct employees, indirect employees and apprentices)



🟦 International 🟩 National



24% 76%

(Direct employees and apprentices)

GALLETAS NUTRESA

Alberto Hoyos Lopera

[In Nutresa since 1993/ age: 51 years old]

President

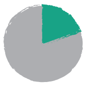
HIGHLIGHTS 2015

- The Biscuit Business continued its positive trend in sales in a highly competitive environment, with additional challenges due to the devaluation of the Colombian Peso against the Dollar.
- We focused efforts on valued innovation, significantly improving the per–kilo price, with positive growth in market share.
- Progress in our portfolio, offering a greater number of products with nutritional standards adjusted to market trends.
- Business productivity was improved, mitigating the impact of the devaluation of the Colombian Peso against the Dollar.
- We began production of Saltín–type salt crackers in AbiMar, in Texas, with an accelerated stabilization process, encoding in more than 50 clients, and achieving a level of sales in accordance with the business plan.

Sales

Total sales

COP Billions



Biscuits represents **19.7%** of the total sales of Grupo Nutresa

2015	**1,567**	**25.8%**
2014	1,246	9.1%
2013	1,142	2.1%

CAGR 11.1%*

*Compound Annual Growth Rate

Sales in Colombia

COP Billions

Sales in Colombia represent **50.1%** of the total sales of the business unit

		Price	Volume
2015	**785**	**5.7%**	**5.5%**
2014	704	0.0%	8.6%
2013	649	-0.8%	-0.8%

CAGR 6.6%

Abroad sales

USD Millions

Abroad sales represent **49.9%** of the total sales of the business unit

2015	**284**
2014	270
2013	264

CAGR 2.5%

Innovation sales

(% of the total sales)

2015	**13.1%**
2014	12.7%
2013	10.6%

Main categories

(% of the total sales)

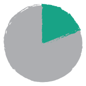
● Cookies	**44.8%**
● Crackers	**19.2%**
● Self-care	**5.4%**
● Otrhers	**30.6%**

Market share in Colombia (%)

		Variation
Biscuits	**55.9%**	0.8%

Ebitda

COP Billions

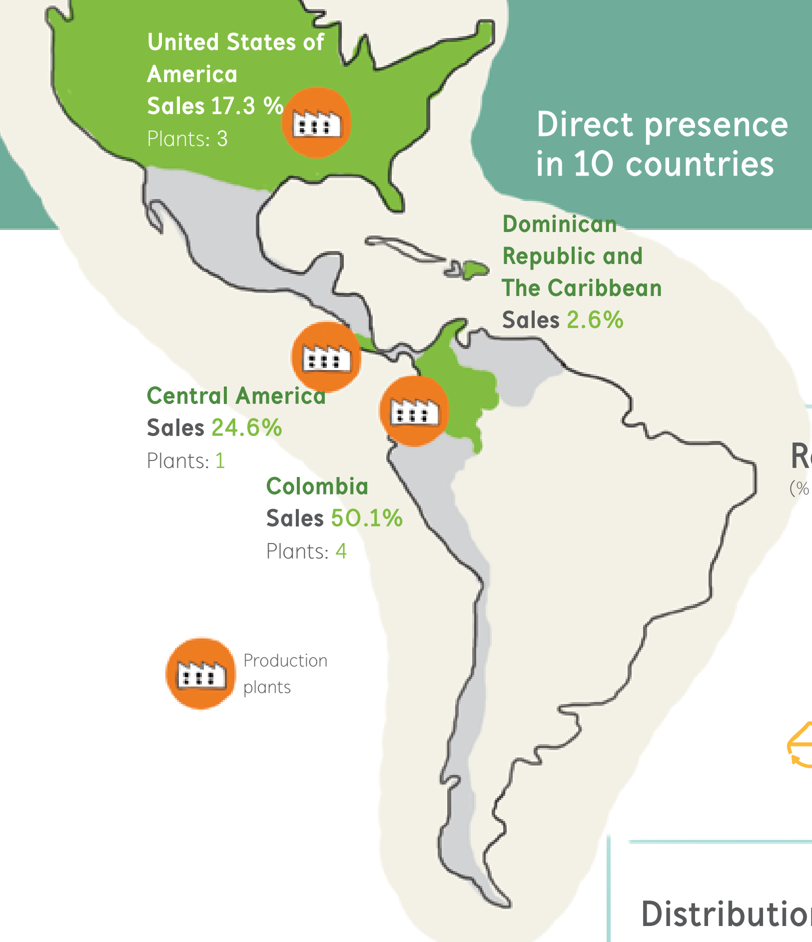


This represents **19.1%** of the total EBITDA of Grupo Nutresa

			Margin
2015	**186**	**10.0%**	**11.9%**
2014	169	7.1%	13.6%
2013	158	30.6%	13.8%

CAGR 5.6%

Direct presence in 10 countries



Raw materials

(% cost of production)

Weath **19.3%**

Oil **12.2%**

Sugar **9.3%**

Packaging material **17.3%**

Others (Includes direct labor, IMC and other minor raw materials) **41.9%**

Distribution channels

(% of total sales)

Increase in productivity

(Kg/Hmod)

OUTLOOK 2016

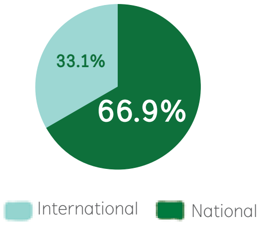
- Innovation focused on improving the product mix, in line with nutritional standards required by the market.
- Expansion and growth in the line of healthy snack products in the different platforms where we operate.
- Improve household penetration of brands such as Ducales and Festival in Colombia and Pozuelo and Chiky in Central America.
- Strengthen value proposals and portfolio segmentation, incorporating biscuits manufactured in the platforms in Chile and Peru in the rest of Grupo Nutresa's geographies.
- Strengthen innovation, productivity and efficiency in spending plans to generate valuation of the category and improvements in profitability.
- Strengthen business in the United States, seeking higher growth than the markets in Central America and Colombia.

Presence of our main brands

✓ Brands with sales > 50 USD Millions

Employees

5,825
(Direct employees, indirect employees and apprentices)



30.9% 69.1%
(Direct employees and apprentices)

100 YEARS OF NOEL

Founders of the Company

- Ten entrepreneurs founded the Fábrica Nacional de Galletas and Confites, today Compañia de Galletas Noel S.A.S.
- It started with 17 employees in Medellin, at the headquarters located in Ayacucho with Tenerife.

1916

- Fernando Escobar Chavarriaga, first manager (1917-1925).
- First Suizas and Marias cookies.
- First products packaged especially for Christmas.

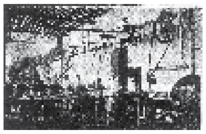
1917

Marcelina Ospina de Restrepo

- Public contest for the new name of the Company: Noel, used eight years later. The winner was Mrs. Marcelina Ospina de Restrepo.

1924

Production plant at the time.



- Leonidas Moreno Ramírez, manager (1925-1934).

1925

- For Christmas was launched Sultana Noel.
- It was born Saltines Noel, today Saltin Noel

1932

- Fusion with Confiteria Dux.
- Compañia Nacional de Chocolates becomes shareholder of Noel.

1933

- Jesús Ramírez Johns, manager (1934-1961).

1934

- Moving the plant to the neighborhood Colon.

1945

- The Festival cookies were born.
- Participation in the categories: biscuits, candies, chewing gum, pasta, soups and jellies.

1955

- Adquisition of Productos Zenu.

1960

- Juan Gonzalo Restrepo Londoño, fourth manager (1961-1969).

1961

- First export to the island of St. Lucia.

1966

- Carlos Arturo Córdoba Congote, fifth manager and first president (1970-1991).
- Purchase of Suizo and Cunit.

1970

- First exports to Puerto Rico.
- Wafers Noel are born.

1972

- Innovation in packaging:- from the jar to flexible material.
- Sales of the first million tacos.
- Start of production and marketing of Carve and Zumm.

1975

- Reaching new international markets: Brazil and the United States.

1977

- Acquisition of Molinos Santa Marta, supplier of wheat flour.

1980

- Arrive in Venezuela, Chile y Peru.
- Ducales are born, the cookies with the secret touch.

1981

- Arrive in Haiti and the Dominican Republic.

1984

- First export to Goya Foods (USA).
- Arrival at the African continent.

1985

- Presentation of the first Christmas arrangement, today Noel Christmas show.

1988

1990

- Revolution of the biscuits packages with Taco - Taco Noel.
- Arrival in Aruba and Curacao.

1991

^ Noel receives award from the National Congress for their 75 years.

- Rafael Mario Villa Moreno, second president (1991-1997).

1992

- Minichips cookies are born.

1993

- Purchase of the company Dulces de Colombia.
- First orders from Walmart.

1995

- Litoempaques is born, tinplate lithography company of the Biscuits Business.
- Distribución directa en Ecuador.

1997

- Carlos Mario Giraldo Moreno, third president (1997-2008).

1998

- Anticipating the trend of healthy eating with the creation of the brand Tosh.
- Arrival in Spain.

1999

- Partnership with Danone.

2001

- Antojos cookies are born.

2003

- Arrival in Australia and New Zealand.

2004

- Noel repurchases the participation of Danone.
- Acquisition of the plnant of cookies Nestle in Costa Rica, giving birth to Compañia de Galletas Noel of Costa Rica, later integrated to Pozuelo, company of the Biscuits Business.

2006

- Acquisition of Galletas Pozuelo Costa Rica, leader in Central America.

2007

- Mundo Noel is born, educational experience for children around the cookies process.

2008

- Alberto Hoyos Lopera, actual president.

2010

- International acquisition of Fehr Holdings LLC in the United States, today Abimar Foods, with production plants located in Texas and Oklahoma.

2014

- Incursion in the category of snacks with Tosh Snacks.

2015

- First production of crackers from the Biscuits Business in The United States.

2016

100 años

Noel turns 100 years creating moments to share.
Vital, innovative and effective Company with a promising future and cherished by consumers.

CHOCOLATES NUTRESA

Jorge Eusebio Arango López

[In Nutresa sincce 1991/age: 60 years old]

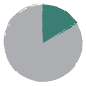
President

HIGHLIGHTS 2015

- We conducted an exercise in pricing, the rationalization of discounts and promotional activities, seeking not to affect sales volumes.
- Improvements in sales fundamentals of the principal brands of the business with great commercial dynamics, especially in the category of snacks, consisting of chocolate candy, nuts and cereals.
- Increase in direct production costs as a result of higher prices of cocoa, sugar and nuts, with the additional effect of the exchange rate. This required major adjustments in price and improvements in the product mix and innovation, to mitigate the effect on the profitability of the business.
- A vision integrated with the platforms abroad to leverage, regionalize and further integrate the management of the Chocolate Business in technical, commercial, marketing and R&D aspects.

Sales

Total sales
COP Billions



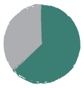
Chocolates represents **16.0%** of the total sales of Grupo Nutresa

2015	**1.268**	**18.7%**
2014	1.068	8.7%
2013	983	4.5%

CAGR 8.9%*

*Compound Annual Growth Rate

Sales in Colombia
COP Billions

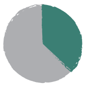


Sales in Colombia represent **62.8%** of the total sales of the business unit

		Price	Volume
2015	**796**	**11.4%**	**-1.3%**
2014	724	1.6%	5.3%
2013	676	-4.5%	5.6%

CAGR 5.6%

Abroad sales
USD Millions



Abroad sales represent **37.2%** of the total sales of the business unit

2015	**170**
2014	171
2013	164

CAGR 1.2%

Innovation sales
(% of the total sales)

2015	**22.0%**
2014	19.0%
2013	13.5%

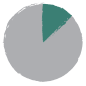
Main categories
(% of the total sales)

●	Chocolate candy	**33.8%**
●	Chocolate	**23.5%**
●	Milk modifiers	**8.6%**
●	Nuts	**7.2%**
●	Others	**26.9%**

Market share in Colombia (%)

	Variation
67.2%	0.6%
62.1%	-1.1%
25.0%	-0.4%
54.9%	5.6%

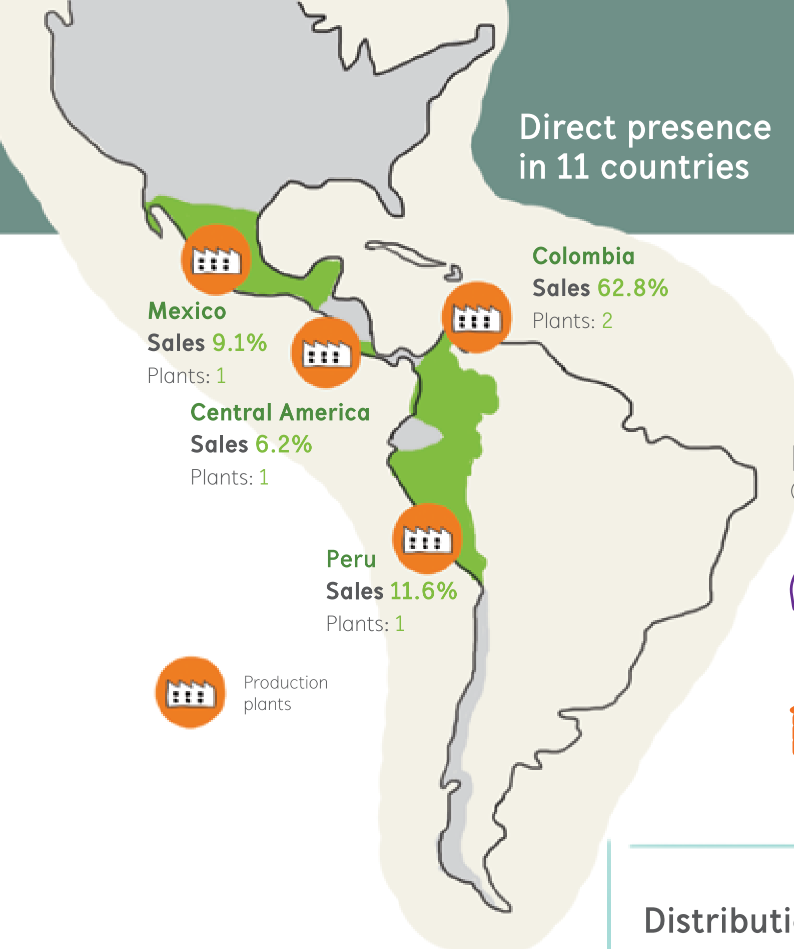
Ebitda
COP Billions



This represent **12.7%** of the total EBITDA of Grupo Nutresa

			Margin
2015	**124**	**3.7%**	**9.8%**
2014	120	-20.2%	11.2%
2013	150	4.6%	15.3%

CAGR -6.1%



Raw materials

(% cost of production)

Cocoa	30.4%
Sugar	10.2%
Milk	5.0%
Oil	4.5%
Packaging material	13.2%
Others (Includes direct labor, IMC and other minor raw materials)	36.7%

Distribution channels

(% of total sales)

Increase in productivity

(Kg/Hmod)

OUTLOOK 2016

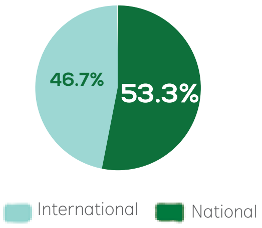
- Streamline the category of chocolate beverages with product innovations focused on convenience, practicality and accessibility.
- Strengthen the portfolio of fine chocolate, with products offering greater added value.
- Greater initiatives in the macro category of snacks, with functional, nutritional and healthy products, in a context of massification and premiumisation.
- Increase market shares in Mexico, Central America and Peru by expanding the portfolio of products and categories and exporting integrated development from production platforms.
- Develop productivity and effective innovation plans to mitigate the impact of profitability due to the increase in the costs of raw materials.
- Growth of international sales and development of new export markets, which will gradually lead us to a balance of participation in national and international sales.

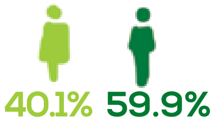
Presence of our main brands

✓ Brands with sales>50 USD Millions

Employees

3,792
(Direct employees, indirect employees and apprentices)





(Direct employees and apprentices)

TRESMONTES LUCCHETTI (TMLUC)

Justo García Gamboa

[In Nutresa since 2013 / age: 53 years old]

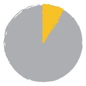
President

HIGHLIGHTS 2015

- First launch in the baked snacks segment, initially in Chile under the Kryzpo brand.
- First launch in the pasta category in Mexico under the Lucchetti brand.
- Implementation of strategies to mitigate the devaluation effect of local currencies and its impact on some of the principal raw materials, as well as the administration of prices and efficiencies in sourcing, production plants and expenses.
- Improvements in the distribution quality for Chile, and progress in increasing direct service to the traditional channel.
- Leveraging Grupo Nutresa's distribution strengths in different regions: Costa Rica, Peru and the United States.
- Deepening of the distribution of chocolate in Mexico through the Tresmontes Lucchetti network.
- Implementation of Grupo Nutresa's best practices: Launch of the Imagix Innovation Program in Chile, beginning with "Exitos Innovadores"; the pilot of Total Productive Management (TPM) in three plants, the Leadership Model and Strategic Sourcing Model.
- Continued implementation of the "Program to Prevent Childhood Obesity in Public Schools." This program obtained the National Innovation Award in Chile, in the category of Public Innovation.

Sales

Total sales



Tresmontes Lucchetti represents **11.3%** of the total sales of Grupo Nutresa

2015	**896**	**21.5%**
2014	738	NA
2013*	252	NA

*It is consolidated since 2013

Abroad sales

USD Millions

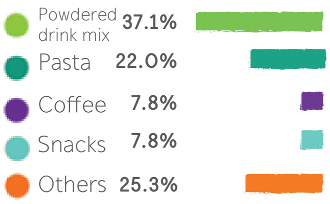
Abroad sales represent **100%** of the total sales of the business unit

2015	**328**
2014	370
2013*	135

*It is consolidated since 2013

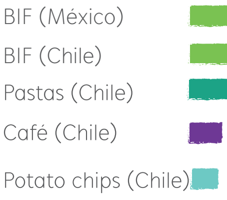
Main categories

(% of the total sales)



Powdered drink mix	**37.1%**
Pasta	**22.0%**
Coffee	**7.8%**
Snacks	**7.8%**
Others	**25.3%**

Market share



		Variation
BIF (México)	**31.6%**	-1.7%
BIF (Chile)	**62.5%**	-0.7%
Pastas (Chile)	**27.4%**	-1.4%
Café (Chile)	**16.2%**	-0.3%
Potato chips (Chile)	**13.0%**	-0.4%

Ebitda

COP Billions

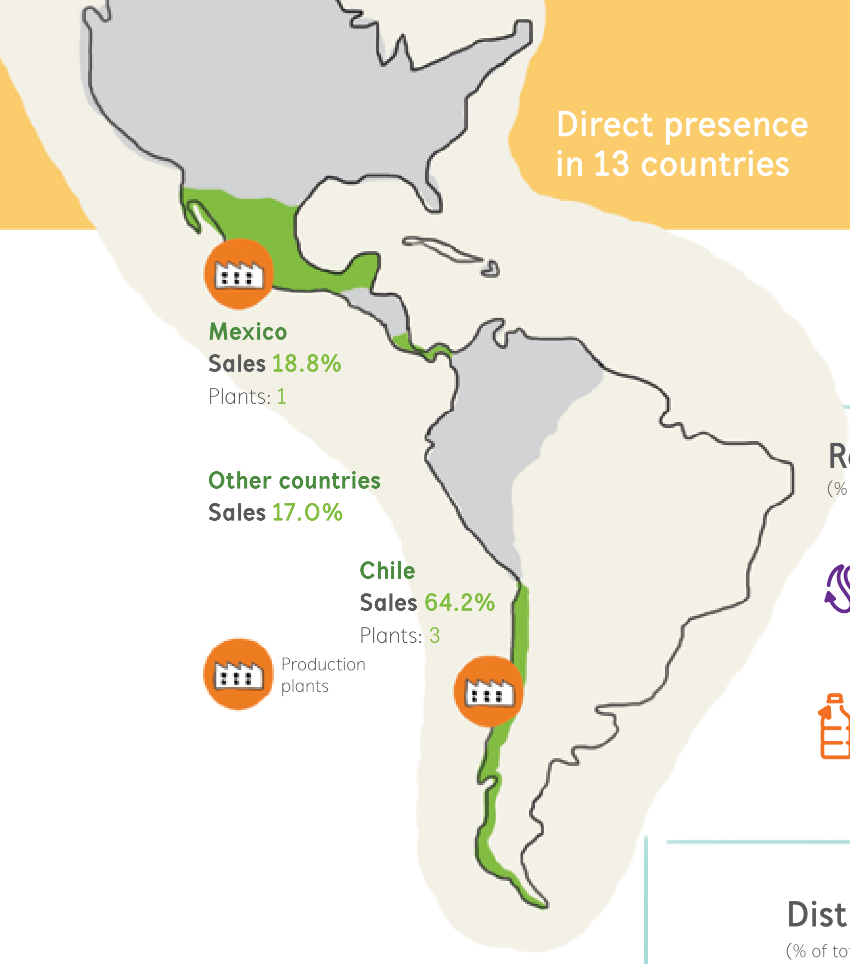
Representa **9,6%** del ebitda total del Grupo

			Margin
2015	**94**	**14.6%**	**10.5%**
2014	82	NA	11.1%
2013*	41	NA	16.2%

*It is consolidated since 2013

TMLUC

Direct presence in 13 countries



Mexico
Sales 18.8%
Plants: 1

Other countries
Sales 17.0%

Chile
Sales 64.2%
Plants: 3

Production plants

OUTLOOK 2016

- Further increasing sourcing and operational efficiencies to boost the profitability of existing businesses and of the projects launched in 2015.
- Establish a solid position in baked snacks in Chile.
- Progress in business volume and profitability in pasta in Mexico.
- Extensions of the current portfolio and also opportunities for category introductions in Chile and Mexico.
- Continued investment in innovation in the instant beverage category
- Continue introducing instant beverages in the United States and launch them in Puerto Rico, supported by Grupo Nutresa's current capabilities.
- Continue implementing best practices and aligning plans to Grupo Nutresa's Sustainability Policy.

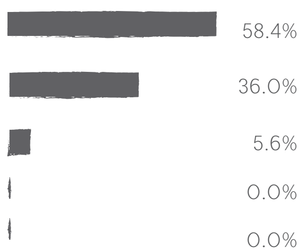
Raw materials

(% cost of production)

Coffee	2.9%
Weath	12.7%
Sugar	2.5%
Oil	1.0%
Packaging material	30.3%
Others (Includes direct labor, IMC and other minor raw materials)	50.6%

Distribution channels

(% of total sales)



Convenience and Traditional stores	58.4%
Supermarket Chains	36.0%
Alternative	5.6%
Institutional	0.0%
Industrial	0.0%

Presence of our main brands

✓ Brands with sales>50 USD Millions

Employees

4,929
(Direct employees, indirect employees and apprentices)

▨ International

32.6% 67.4%
(Direct employees and apprentices)

CAFÉS NUTRESA

Miguel Moreno Múnera

[In Nutresa since 2003 / age: 38 years old]

President

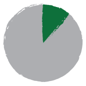
HIGHLIGHTS 2015

- Change to a positive growth trend of the macro category, boosting consumption and the potential of our brands.
- International business had an outstanding performance thanks to the development of key accounts of added value and the positive effect of the devaluation of the Colombian Peso against the Dollar.
- Effective cost and pricing management, both in Colombia and abroad, ensuring profitable growth.
- Development of the category of coffee mixes with significant growth, brand positioning, channels diversification, productive chains and optimization in the mix of channels.
- Positive advances in the presence in Asia, increasing sales and generating new, attractive opportunities and improvements in profitability.

Sales

Total sales

COP Billions



Coffee represents **11.2%** of the total sales of Grupo Nutresa

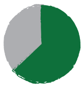
2015	**891**	**15.4%**
2014	772	-2.2%
2013	789	-2.5%

CAGR 4.1%*

*Compound Annual Growth Rate

Sales in Colombia

COP Billions



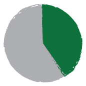
Sales in Colombia represent **59.6%** of the total sales of the business unit

		Price	Volume
2015	**531**	**1.2%**	**4.6%**
2014	502	-2.2%	0.4%
2013	511	-7.9%	5.8%

CAGR 1.3%

Abroad sales

USD Millions



Abroad sales represent **40.4%** of the total sales of the business unit

2015	**132**
2014	135
2013	149

CAGR -4.0%

Innovation sales

(% of the total sales)

2015	**15.5%**
2014	15.5%
2013	14.5%

Main categories

(% of the total sales)

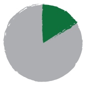
● Ground coffee	**50.6%**
● Soluble coffee	**42.5%**
● Others	**6.9%**

Market share in Colombia (%)

		Variation
Ground coffee	**54.2%**	-1.6%
Soluble coffee	**42.0%**	0.4%

Ebitda

COP Billions

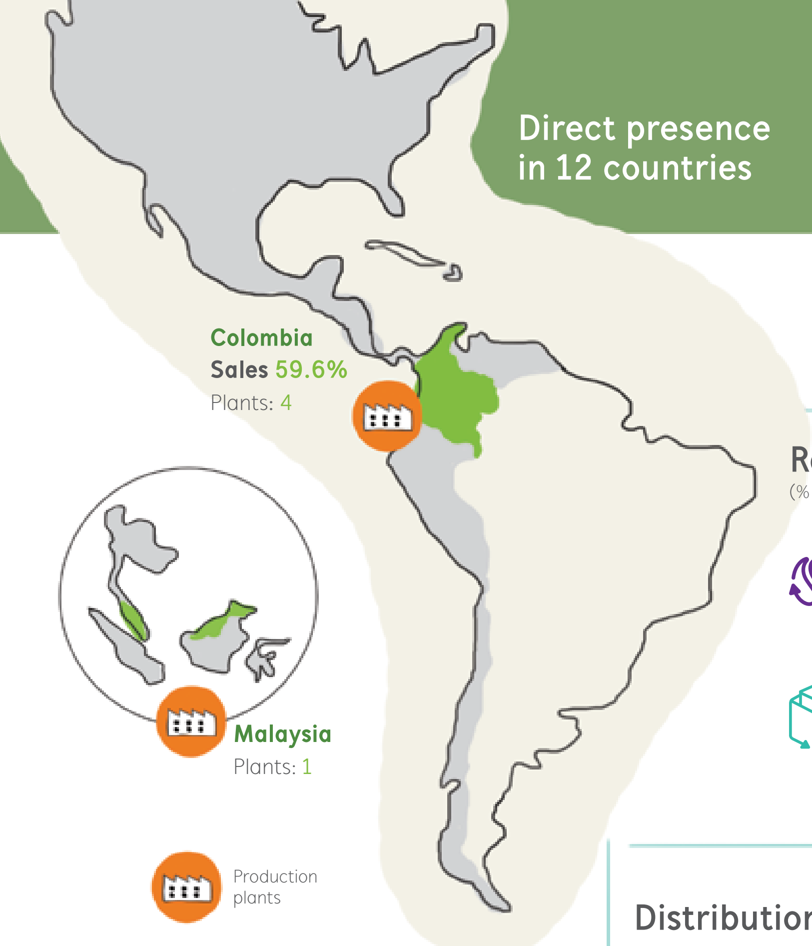


This represents **15.9%** of the total EBITDA of Grupo Nutresa

			Margin
2015	**155**	**6.0%**	**17.4%**
2014	147	9.4%	19.0%
2013	134	50.0%	17.0%

CAGR 5.1%

Direct presence in 12 countries



Raw materials

(% cost of production)

Coffee
68.7%

Packaging material
8.9%

Others
(Includes direct labor, IMC and other minor raw materials)
22.4%

Distribution channels

(% of total sales)

Increase in productivity

(Kg/Hmod)

OUTLOOK 2016

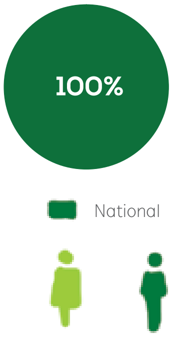
- Guarantee competitive sourcing.
- Growth of the brand abroad, in countries that are strategic for Grupo Nutresa.
- Continue developing the category in Colombia, further enhancing the value of our brands for consumers, and continue promoting differentiated innovation.
- Support our growth in modern consumer trends, and continue developing strategic business partnerships abroad.

Presence of our main brands

✓ Brands with sales>50 USD Millions

Employees

1,825
(Direct employees, indirect employees and apprentices)



16.1% 83.9%
(Direct employees and apprentices)

ALIMENTOS AL CONSUMIDOR

Juan Chusán Andrade

[In Nutresa since 2013 / age: 51 years old]

President

HIGHLIGHTS 2015

- Knowledge of the business and their people, integration of the business and the information systems of Grupo Nutresa, strengthening the service culture and optimizing logistics and commercial processes in all chains.
- Product portfolios' optimization, ensuring the appropriate offer to consumers with relevant profitability.
- Definition and strategic alignment of brands roadmap.
- Focus on competitiveness and productivity projects.

Sales

Total sales

COP Billions

Retail Food represents **6.8%** of the total sales of Grupo Nutresa

Sales in Colombia

Sales in Colombia represent **67.0%** of the total sales of the business unit

Abroad sales

USD Millions

Abroad sales represent **33.0%** of the total sales of the business unit

Market share in

#1

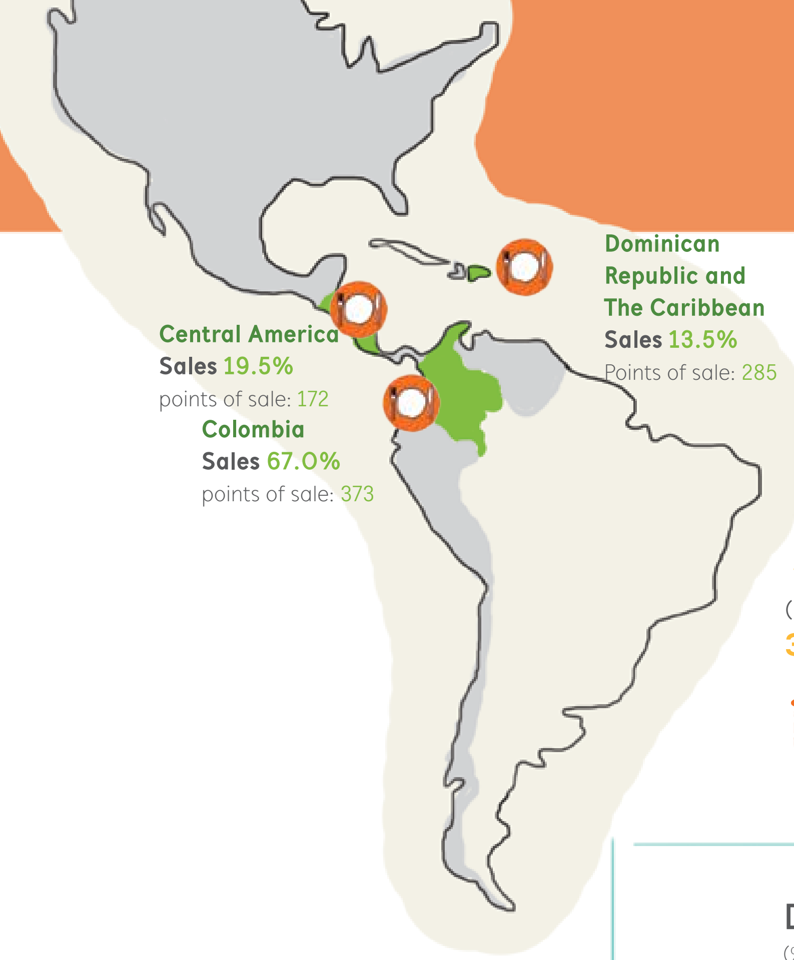
In hamburguers and steakhouses categories in Colombia

In ice cream shops in Costa Rica and Dominican Republic

Ebitda

COP Billions

This represents **9.6%** of the total EBITDA of Grupo Nutresa



Raw materials

(% cost of production)

(Includes Beef, Pork and Poultry)
30.0%

Milk
12.8%

Oils and fats
6.7%

Packaging material
12.4%

Others
(Includes direct labor, IMC and other minor raw materials)
38.1%

Distribution channels

(% of total sales)

OUTLOOK 2016

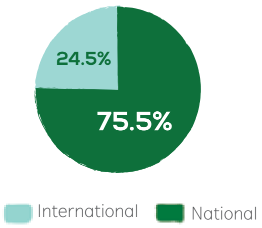
- Implementation of the strategic visions of the leading brands.
- Development of digital platforms according to consumer needs and business capabilities.
- Implementation of the new information system for points of sale (POS).
- Continue strengthening the culture of service and optimizing logistics and commercial processes in all the chains.
- Continue with the store openings, improvement in the levels of service, brand updating and design of restaurants.
- Support innovation plans in the development of products ensuring sustainable growth in the number of transactions in the different brands.

Presence of our main brands

✓ Brands with sales>50 USD Millions

Employees

6,635
(Direct employees, indirect employees and apprentices)



61.1% 38.9%
(Direct employees and apprentices)

HELADOS NUTRESA

Mario Alberto Niño Torres

[In Nutresa since 2006 / age: 49 years old]

President

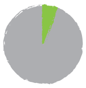
HIGHLIGHTS 2015

- Challenges in sales performance are explained by:
  * Isolated rainy and cold seasons, concentrated in the afternoon and on weekends, when sales of the category are usually higher.
  * Some innovations with lower performance.
- In the second half, we made some adjustments to the business plan that allowed us to reverse the trend, achieving better growth in sales and recovering profitability.
- Maintain our market leadership.
- Important progress in purging the portfolio, seeking to increase productivity in plants and improving the investment focus of portfolios.
- Incorporation of 10% of refrigerators using new technology with environmentally friendly gases, that reduce energy consumption by 15%.

Sales

Total sales

COP Billions



Ice Cream represents **5.6%** of the total sales of Grupo Nutresa

2015	**444**	**5.1%**
2014	422	11.0%
2013	380	13.0%

CAGR 5.3%*

*Compound Annual Growth Rate

Sales in Colombia

COP Billions

Sales in Colombia represent **100%** of the total sales of the business unit

		Price	Volume
2015	**444**	**5.8%**	**-0.6%**
2014	422	-1.9%	13.1%
2013	380	2.8%	9.9%

CAGR 5.3%

Innovation sales

(% of the total sales)

2015	**24.2%**
2014	30.9%
2013	37.9%

Market share in Colombia

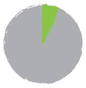
(% of the total sales)

● Ice Cream ● Refreshing beverages ● Others

94.3%
4.1%
1.6%

Ebitda

COP Billions

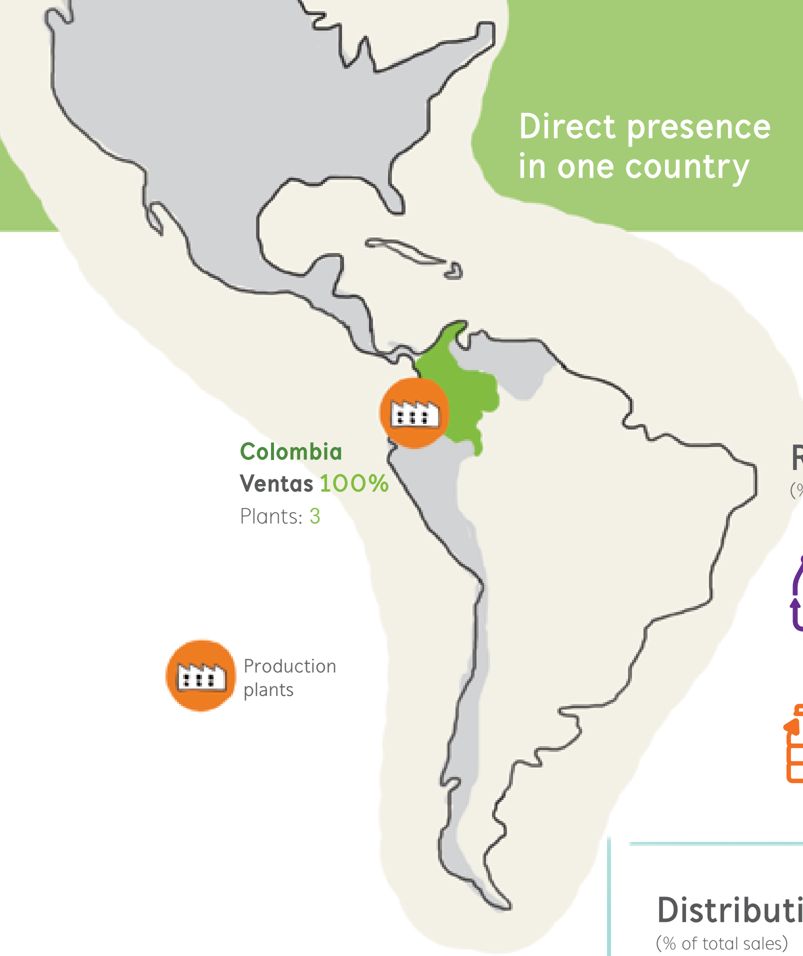


This represents **6.3%** of the total EBITDA of Grupo Nutresa

			Margin
2015	**61**	**6.6%**	**13.8%**
2014	57	-2.0%	13.6%
2013	58	9.0%	15.4%

CAGR 1.5%

Direct presence in one country



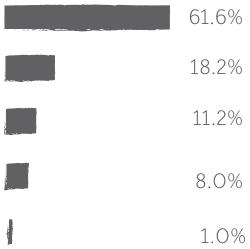
Raw materials

(% cost of production)

Milk	18.2%
Sugar	6.3%
Oils and fats	4.1%
Packaging material	17.7%
Others (Includes direct labor, IMC and other minor raw materials)	53.7%

Distribution channels

(% of total sales)



Convenience and Traditional stores	61.6%
Alternative	18.2%
Institutional	11.2%
Supermarket Chains	8.0%
Industrial	1.0%

Increase in productivity

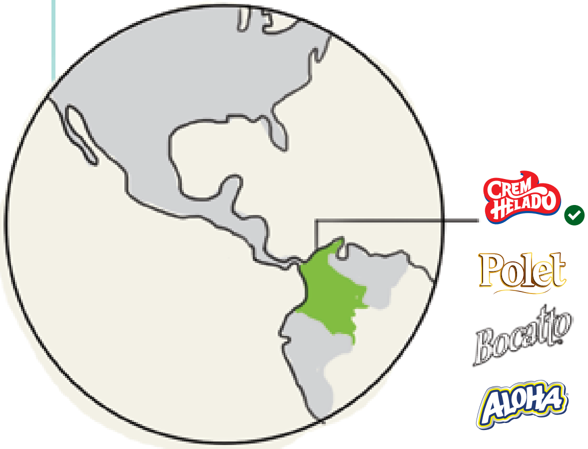
(Kg/Hmod)

2015	**2.5%**
2014	9.8%
2013	0.3%

OUTLOOK 2016

- Execute our innovation plans more effectively, with a focus on nutrition.
- Continue developing efficiency and productivity projects in production and logistics areas, in order to mitigate the additional challenges due to a devaluation that affects some of our raw materials, and those that are derived from the phenomenon of *El Niño*.
- Continue with plans to improve client satisfaction and identify new profitable growth opportunities and territories.
- Continue with the process of converting existing freezers to equipment with lower energy consumption and less environmental impact.
- Maintain our efforts in building and strengthening our brands in the market.

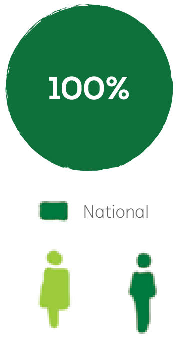
Presence of our main brands



✓ Brands with sales > 50 USD Millions

Employees

2,569
(Direct employees, indirect employees and apprentices)



26.1% 73.9%
(Direct employees and apprentices)

PASTAS NUTRESA

Fabián Andrés Restrepo Zambrano

[In Nutresa since 1996 / age: 41 years old]

President

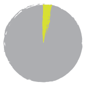
HIGHLIGHTS 2015

- Positive results in sales, with increased volumes and price, which are supported in work on product innovation, creating new uses and moments of consumption.
- The Pasta Business, with its Doria brand, maintained its market leadership, increasing its brand indicators, and improving its equity and Top of Mind.
- The level of profitability remained stable, under a challenging environment due to the devaluation of the Colombian Peso against the Dollar.
- Implementation of efficiencies in the supply chain contributed to productivity and profitability in the operation.

Sales

Total sales

COP Billions



Pasta represents 3.2% of the total sales of Grupo Nutresa

2015	**258**	**8.7%**
2014	237	2.8%
2013	231	5.3%

CAGR 3.8%*

*Compound Annual Growth Rate

Sales in Colombia

COP Billions

Sales in Colombia represent 100% of the total sales of the business unit

		Price	Volume
2015	**258**	**7.3%**	**1.2%**
2014	237	1.2%	1.6%
2013	231	1.7%	3.5%

CAGR 3.8%

Innovation sales

(% of the total sales)

2015	**6.2%**
2014	6.5%
2013	58.4%

Main categories

(% of the total sales)

● Pastas	**94.0%**
● Others	**6.0%**

Market share in Colombia

(%)

	Variation
52.2%	-0.1%

Ebitda

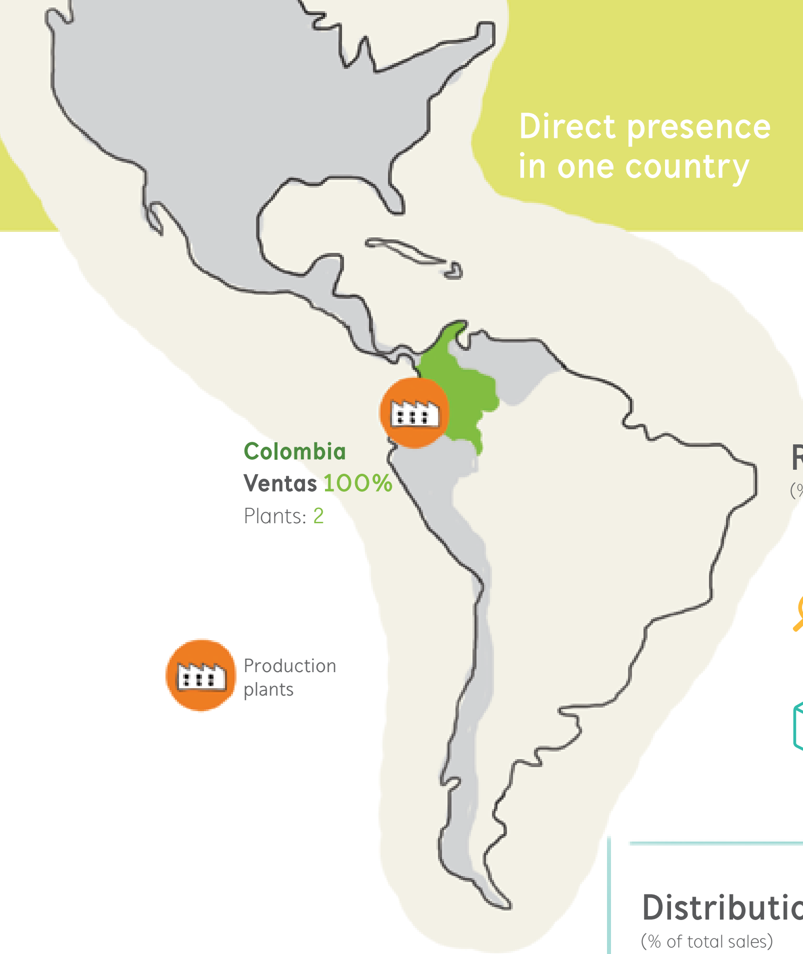
COP Billions

This represents 2.7% of the total EBITDA of Grupo Nutresa

			Margin
2015	**26**	**15.9%**	**10.0%**
2014	22	-12.7%	9.4%
2013	26	-13.0%	11.1%

CAGR 0.4%

Direct presence in one country



Raw materials

(% cost of production)

Wheat
66.4%

Packaging material
10.3%

Others
(Includes direct labor, IMC and other minor raw materials)
23.3%

Distribution channels

(% of total sales)

Convenience and Traditional stores	71.0%
Supermarket Chains	18.6%
Industrial	4.8%
Alternative	3.2%
Institutional	2.4%

Increase in productivity

(Kg/Hmod)

2015	**1.9%**
2014	11.6%
2013	4.3%

OUTLOOK 2016

- Increase profitability of the business in a complex environment of devaluation in Colombia, without affecting the performance in volumes.
- Continue effective innovation, strengthening and enhancing brands and increasing per–capita consumption in Colombia, creating new moments and increasing the frequency of consumption.

Presence of our main brands

✓ Brands with sales > 50 USD Millions

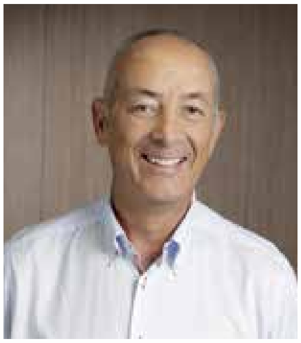
Employees

705
(Direct employees, indirect employees and apprentices)

🟩 National

28.1% 71.9%
(Direct employees and apprentices)

COMERCIAL NUTRESA



Álvaro Arango Restrepo

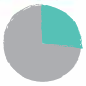
[In Nutresa since 2001 / age: 55 years old]

President

Sales

Total sales

COP Billions



Comercial Nutresa represents **26.2%** of the total sales of Grupo Nutresa

2015	▬	**2,081**	**8.2%**
2014	▬	1,923	4.4%
2013	▬	1,842	-1.6%

CAGR 4.2%*

*Compound Annual Growth Rate

HIGHLIGHTS 2015

- We celebrated the first five years of Comercial Nutresa as the commercialization and distribution company of dry goods in Colombia for mass channels. Its management and value proposals by segment have generated levels of excellence in the satisfaction and loyalty of our clients, increased sales, improved display, and numerical distribution of our brands.
- The brand and network management model guides commercial strategies, based on understanding consumers, buyers and clients.
- Construction of specialized value proposals to each segment, generating market differentiation and encouraging the growth of our clients.
- To improve the strategic management of price (consumers, promotions, innovation), adjustments were made in processes, tools and price analysis, for better decision making.

OUTLOOK 2016

- We remain committed to strengthening the traditional channel and independent supermarkets to support their sustainability. We are working on the development of clients in the traditional and independent convenience store channels, generating value proposals in accordance with the growth of these formats.
- Deepening the client–centered organizational model, and the way we relate to them as a differentiating element, adjusting our value proposal and processes.
- We will continue strengthening specialized and alternative channels to attend the institutional market and directdelivery to households

Distribution channels

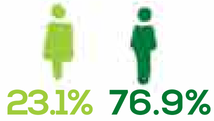
(% of total sales)

Convenience and Traditional stores	▬	78.0%
Supermarket Chains	▬	21.3%
Others	▬	0.7%

Employees

5,083

(Direct employees, indirect employees and apprentices)



(Direct employees and apprentices)

SERVICIOS NUTRESA

Sol Beatriz Arango Mesa

[In Nutresa since 1992 / age: 54 years old]

President

Shared Services

Administrative Services

- ✓ Negotiation and Strategic Sourcing
- ✓ Infrastructure
- ✓ Information Technology

Financial Services

- ✓ Financial Information and Planning
- ✓ Accounting
- ✓ Taxes
- ✓ Treasury

Risk Administration and Control Services

- ✓ Auditing
- ✓ Legal Assistance
- ✓ Risks, Insurance and Safety

Human Services

- ✓ Human Development
- ✓ Corporate Communications

Corporate services

- Innovation
- Market intelligence
- Media buying
- Sustainability
- Services for Expats

Transversal support

- Fundación Nutresa
- Vidarium
- Gestión Cargo
- Opperar

HIGHLIGHTS 2015

- Significant improvement in the client satisfaction survey, at both the real and perceptual levels.
- Start up of operations in Servicios Nutresa Costa Rica and implementing the service management model for Central America.
- Implementation of the risk–management and business continuity model.
- Alignment of the risk management of commodities with international platforms.
- Development of a prospective exercise that seeks to anticipate the competitiveness of the shared–services model to 2030.
- Consolidation of the human rights' management system and best labor practices in Grupo Nutresa , with the implementation of the Diversity and Inclusion Policy.
- Development of strategic sourcing models in new categories and regions, and closing gaps in sustainable sourcing.
- Expansion of operational capacity of Gestion Cargo S.A.S. and exploration of new export models that ensure competitiveness.
- Implementation of Success Factors, a strategic human–talent management tool for Grupo Nutresa.
- Strengthening of leading practices in gender equality, such as Equipares certification and recertification in ISO 9000, 14000, 18000, Family–Friendly Company (*Empresa Familiarmente Responsable*, EFR), and Healthy Organizations *Organizaciones Saludables*, OS)
- Technological approval of Helados POPS and Helados BON with the start up of the SAP platform.

OUTLOOK 2016

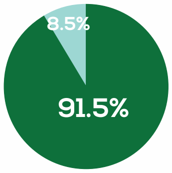
In 2016, we will continue to advance in consolidating the shared–services model for Grupo Nutresa and its companies, which ensures short and long–term competitiveness, focused on:

- New services in risk management and compliance.
- Strategic sourcing and supplier development.
- Leadership development and attraction of talent.
- Identification and adoption of new technologies.
- Exploration of new business models.
- Leading sustainability practices.

Employees

824

(Direct employees, indirect employees and apprentices)



🟦 International 🟩 National

49% 51%

(Direct employees and apprentices)

FOSTERING PROFITABLE GROWTH AND EFFECTIVE INNOVATION

Grupo Nutresa focuses its efforts towards generating a differentiated offer of products, brands and experiences in different market segments, supported by an innovative culture in processes, products and business models.

A FUTURE
TOGETHER

PROFITABLE GROWTH IN MARKETS AND RELIABLE BRANDS WITH AN EXCELLENT VALUE FOR MONEY RELATION. [G4-DMA]

Grupo Nutresa offers its clients leading and trustworthy brands with an excellent value for money.

Purpose

To develop current and new markets by understanding the needs, motivations and intentions of consumers, shoppers and customers, and creating value by capitalizing opportunities.

Also, to understand the new realities of the market, culture and society through our brand and distribution model management, with a portfolio of products that looks to be close to consumers in their pursuit of consumer life quality.

Strategy	Progress 2015
Strengthen the brand capital.	⇨ Grupo Nutresa consolidated the differentiation of the main brands generating leadership in these categories, within the strategic region, as well as recognition and preference by consumers.
Strengthen brands and distribution network.	⇨ The internationalization of the brand and distribution model allows the company to prioritize, give focus and cover new market segments. ⇨ Innovation and communication strengthened brands, such as Zuko, Lucchetti, Pozuelo, BON, POPS, Zenú, Doria, Colcafé, Jet, Saltín Noel and Crem Helado, among others. ⇨ Spreading the rank of segments and their internationalization (i.e. Tosh, Festival, among others) of the main brands gave new possibilities. ⇨ Mexico, implemented a new pasta production line under the Lucchetti brand as leverage for relevant and differentiated innovation. ⇨ AbiMar Foods, in the United States, launched a cracker production line. ⇨ Grupo Nutresa extended its Colombian main Go to Market model to the other networks and countries. ⇨ The Chocolate Business strengthened its industrial networks in the United States. ⇨ Malaysia consolidated its industrial operation, along with its business development in Asian and European markets.

Strategy	Progress 2015
Boost profitable growth through innovations that increase the value of the categories.	➩ Special products were developed for each segment, which guarantees the value proposition. ➩ To focus resources on the main brands we removed some product formats from the portfolio
Develop the pricing management model.	➩ The organization developed strategic price, promotions and innovations management capabilities for consumers. In addition, we implemented analytics tools to capitalize brands' value.

Risks and Opportunities

The economic setting presents new risks. Product costs can be impacted due to the strengthening of the US Dollar; increasing prices of some commodities and taxes.

To reduce the chances of these costs being transferred into higher prices for consumers, efforts are focused on productivity, focus on purchase management for commodities with a high impact on costs, package adaptation to ensure shopper accessibility, as well as business and marketing strategies.

Another identified risk is the non-tariff barriers in some countries in the Andean region that affect markets where Grupo Nutresa operates, impacting the ability to reach the distribution channel (accessibility) and the affordability of some product formats in the portfolio. The Organization is working proactively to minimize negative impact and detect new areas of opportunity to boost results.

Changes in health legislation and nutritional profiles in the strategic region require strengthening in research and adjusting brands' value proposition in packaging, price, formulation and communication. With this, Grupo Nutresa seeks to maintain consumer preference, while obtaining best practices in the rest of the region.

Grupo Nutresa developped different strategies to actively participate in all types of retail formats, specially the new entrants in our region, that targets low prices and private labels.

Collaborators from Comercial Nutresa assuring product availability for the consumer.

New image of Pops ice cream shops in Central America.

Future Perspectives

The brand and distribution model will continue to leverage business results to meet the objectives by 2020, especially growth, market leadership and international expansion, by developing main brands.

The Organization faces changes related to globalization and its effects on the dynamic of its markets and new businesses. Volatile markets and climatic effects will impact prices of raw materials. Thus, it seeks to offset the impact on profitability, supported by an increase in operations' efficiency, specialization of the purchase management of raw materials, effectiveness in innovation and internationalization of the main brands and strengthening in consumer loyalty.

Grupo Nutresa is constantly facing new challenges in order to interpret and respond to consumer expectations in relation to changes in population and culture through a new vision of future, sustainable development, a broad life expectancy and healthy aging, among others. Therefore, to achieve the 2020 goals the company plans: international capabilities development in distribution and production processes, focus and internationalizations of brands under the Grupo Nutresa brands and distribution model, and effective innovation through trusted brands with excellent Price–Value Relation.

Remarkable Achievements

As a result of the effectiveness of the brand and distribution system model, the research firm *Ipsos Napoleón Franco* showed that **Grupo Nutresa brands obtain positions of leadership in Effective Equity and the distribution system achieves levels of excellence in customer satisfaction and loyalty.**

Progress 2015

THE BRAND MANAGEMENT MODEL

The brand and distribution model is the backbone of Grupo Nutresa's commercial strategy, connecting it to the current market, culture and society realities.

The model inspires and stimulates commercial activities and has human beings at its center, by understanding that in their role as consumers and buyers, they are connected to brands with emotional closeness, excellent Price–Value Relation and an optimal product portfolio.

2015 was a year of progress in deepening the understanding of consumers and particularly in the role of the buyer.

Grupo Nutresa extended transversally the consumer segmentation model. The needs and drivers of nutrition open spaces to develop and focus on brands offering the consumer a value proposition to improve their quality of life. We advanced in interiorizing buyers' perspective that begins from the intention of the consumption occasion and proposes a holistic view of the buying–consumption process.

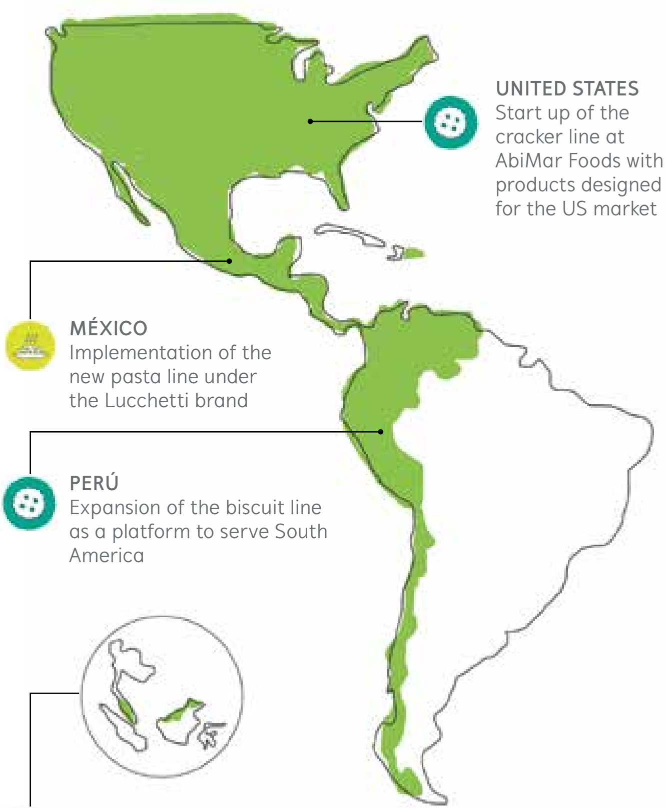
Through productive platforms and the development of business networks, international expansion allowed us to exploit synergies, complement portfolios and become more competitive. In 2015, the brand management model was incorporated into the international context.

From Grupo Nutresa's industrial operation and that of its partners, commercial development in Asia continued with a 12.8% growth in tons at the end of 2015. Supply chains of coffee products from Malaysia to Colombia and for other strategic markets were developed.

Meanwhile, the Ice Cream Business consolidated the renewal of the image in ice cream parlors in Central America with POPS and in the Dominican Republic with BON, added to innovation in ice cream and the incursion in the category of fruit smoothies. As a result, a 15% increase in sales in POPS and nearly 12% in BON. It is estimated that nearly 20% of the result in growth was generated by the new image and the new environment in ice cream parlors. Sales of smoothies in POPS accounted for nearly 5% of the total.

These advances allowed Grupo Nutresa to expand its range of commercial activity, reduce risk by diversifying markets, understand and interpret the needs of new cultures, generate transversal learning, and generally maximize the use of resources and capital invested, as well as monitor new categories and potential markets, input for the future construction of brands.

Market Development in the Channels



UNITED STATES
Start up of the cracker line at AbiMar Foods with products designed for the US market

MÉXICO
Implementation of the new pasta line under the Lucchetti brand

PERÚ
Expansion of the biscuit line as a platform to serve South America

MALASIA
Harnessing operation in Malaysia for product development in Colombia and the strategic region. Extension of portfolio of customers in the European market

During 2015, strategic markets were deepened with a focus on managing the main brands and their performance in the consumer and buyer segments; appropriate segments were identified in which brands deliver their value proposition and create a differentiation from other competitors. The positioning of the main regional and local brands was defined; their relevant elements were identified to enhance brand equity, and synergies were furthered in communication, sales activities and innovations.

Another key element in marketing management was the valuation of brands, which was obtained by continuous, relevant and surprising innovation for consumers and consistent with the adequate price to achieve the massiveness and product distribution required, making brands available in the place that consumers and buyers require.

VOLATILITY MANAGEMENT OF COMMODITIES

Given the relevance that commodities have in Grupo Nutresa's sustainability, their administration is organized in working groups for each operation, which are coordinated by a Corporate Commodities Committee that establishes policies, monitors operations, generates best practices, consolidates learning, and ensures the supply and price of these raw materials.

This strategy allowed us to minimize the impact of the stronger Dollar and rising commodity prices.

RELIABLE BRANDS WITH AN EXCELLENT PRICE–VALUE RELATION [G4-4]

Nutrition

Zenú
Doria
Lucchetti
Pietrán
Ranchera
Pastas Monticello
Tulliani

Beverages

Café Sello Rojo
Colcafé
Café Premium Gold
Corona
Chocolisto
100% Country Hill
Livean
Zuko

Snacks

Saltín Noel
Noel
Ducales
Pozuelo
Festival
Chiky
Lil' Dutch Maid
Jet
La Especial
Kryzpo
Chocolates Jumbo
Tosh

Ice Cream

Crem Helado
Polet
Helado Sinfonía Premium
Pops
Helados Bon

The main brands stand out for maintaining leadership in the markets in which they operate. This is due to building relationships between consumers and brands, which are constantly evaluated to establish their connection and value in people's lives.

Managing the main brands creates a discipline in reviewing the portfolio to maximize investment and focus innovation. For this purpose, a special portfolio was developed for some segments to ensure the value proposition of the brands and networks; some products that did not generate differentiation were eliminated from the portfolio.

The internal study on brand health carried out in 2015 by the firm ***Ipsos Napoleón Franco*** and different studies published in the media highlighted the excellent equity performance of the main brands. The leading brands in foods are Zenú and Noel; Chocolisto and Doria in nutrition; Tosh and Pietrán in healthy lifestyles; as well as Crem Helado, Jet and Festival, which are projected with pleasurable experiences through high-value innovations for consumers.

Innovation as an element of differentiation and sustainability continued to generate outstanding results for Grupo Nutresa:

Innovation sales for the last three years:
More than 30% of the total.

Sales above
COP 30 billion
in new products
Featured launches:
Practi Sánduche Zenú, Lemon Vienna Sausage and special seasonal developments

Sales above
COP 2.5 billion
Products adapted to the Colombian environment:
Sausage Flavored Spaghetti.
Differentiating innovations:
Doria Premium and stuffed pastas

Launch of Andean Seeds and Cranberries

Minions Special edition

Launch of crackers in the US

Relaunch of the Pozuelo brand in Central America

Introduction of pastas and soups in Mexico in advance of the internationalization of the megabrand

Launch of Sello Rojo 600 gr.
Sales for
COP 6,112 million
for eight months.

SUCCESS STORIES AND RECOGNITIONS

- **Lucchetti is classified as a mark of excellence in Chile,** with consumers ranking it sixth among the 430 most valuable brands, according to the results of the 2015 version of the "Chile 3D" study, carried out by ***Gfk Adimark.*** Brand equity leveraged its launch in Mexico in the pasta and soup market, specifically in the development and launch of a pasta range that offers innovative products with the benefit of nutrition at an affordable price. Proper reception by consumers to the Lucchetti brand was evident, with an important position in the Mexican market (the second brand in some regions) and first place with a significant presence throughout the national territory.

- **The Biscuit Business, with its Noel brand, was recognized among the ten most valuable brands in Colombia. Zenú established itself as the number one brand of food in Colombia, allowing it to grow in value and volume over other brands in the categories in which it participates.**

- **Zenu was consolidated as the number one brand of the food industry in Colombia,** situation that has allowed it to grow up, in volume and value, over other brands participating in the same categories.

- **La Especial gained 15 points of market share in the Japanese coated segment with the innovation of Mani Kraks,** which was supported by a successful communication campaign that **won a Gold Effie in 2015.**

- **The Jet brand achieved greater closeness with consumers** in the different sales channels with the promotion Jet Camps, an activity that was recognized with the Iberoamerican Promotion Festival (*Festival Iberoamericano de Promociones*) FIP Gold..

- The Chocolyne campaign focused on increasing brand awareness, through highlighting its functional attributes in different points of contact with the target group. **Since its launch, the brand has achieved a 10% growth in sales; its effective equity reached record levels of 12.1%, an increase of four (4) points.**

- **Doria, the leader in its category,** was recognized in the Roadmap for Growth study, by ***Kantar Worldpanel,*** which analyzes the most successful launches during the year. Doria Sausage Flavored Spaghetti ranked eighth (8) in the Top 10, with a 5.7% penetration in Colombian households.

- **Crem Helado was reported within the 25 most valuable mass consumer brands in Colombia** (*Dinero* Magazine, November 2015). **It is the dominant leader,** swithout participating in the segment of its own ice cream parlors.

- **Sello Rojo was recognized as the first brand in ranking of roasted and ground coffee,** according to a report published in the *Dinero* magazine in April 2015 and Invamer Gallup.

Commercial networks continue to evolve, framed in a corporate model that adapts to the realities of each geography, channel and level of brand leadership. Each country has specific work areas, among which the progress made in Colombia, Central America, Ecuador and the United States stands out.

The value propositions are also specific for each client segment; therefore, brand penetration through networks allows the Organization to have a superior ability to reach consumers in all buying occasions, facilitate the introduction of innovations and balance portfolios.

EVOLUTION OF CUSTOMER SERVICE CHANNELS

Large Chains

- Positive dynamics for the channel
- Increased penetration with formats to get close to buyers, generally with low prices
- Review capabilities in training, portfolio and business models in distribution networks

Convenience and Traditional Stores

- Accompaniment in developing independent convenience stores and the traditional channel
- Adjust the Customer Service model to ensure the value proposition by segment
- Specialized advice and training in Client Schools (Consumers)

End Consumer

- Innovative models and ongoing repurchase
- Obtaining more knowledge to understand the impact of new products

Grupo Nutresa gives its clients a value proposition adapted to their needs.

Looking ahead, the brand management model will continue to leverage commercial results to meet the Mega 2020, especially market growth and leadership and international expansion.

Within Grupo Nutresa's proposal to provide nutrition, wellness and pleasure to consumers, the Organization has a mix of brands and categories that seek to be close to the daily life of people in the search for quality in their life. During 2015, progress was made in the operation of El Corral, Papa John's, Helados BON and Helados POPS under the Retail Food model.

The Mega 2020 of internationalization indicates that sales abroad represent 45% of the Grupo Nutresa total. For 2015, this proportion was 38,1%; therefore, the development of new markets outside the strategic region and new, high-value business models are proposed. [G4-8]

FLAWLESS EXECUTION

In recent years, Grupo Nutresa moved from a sales-management model to a point-of-sale management model, which is evident in the qualification of 80 points in its visibility and availability of the portfolio, placing it at levels of excellence.

We continue to progress in brand visibility. Freezers, for example, remain a key element in developing ice cream sales, and based on this model, learning was generated for other categories.

Chocolate candy, meanwhile, has obtained better performance in brand expression and visibility by launching temperature-controlled exhibition cases, of which 4,500 have already been installed in client stores.

In addition, Grupo Nutresa ventured into the search for sustainable, environmentally friendly materials and elements, including bioplastics and liquid wood. Currently, we have prototypes of durable assets manufactured in these materials, which will be implemented at points of sale in 2016.

MODEL OF INTEGRATION AND MONITORING INTERNATIONAL OPERATIONS

Grupo Nutresa has a method to narrow gaps in expanding capacities for its companies abroad, entitled the Multi–Latin Agenda. In this agenda, strategic issues are prioritized and projects are defined that ensure the internationalization of leading practices among operations that contribute to the 2020 goals and facilitate monitoring at the highest level.

This methodology was strengthened in 2015 by specifically incorporating plans and projects in environmental, social and economic aspects to close the gaps in the material issues that these international platforms face, ensuring the advancement of the goal of sustainable development. At the end of the year, the purpose outlined in this agenda was fulfilled, allowing progress towards best practices in these operations.

Economic Aid Granted by Government Agencies [G4-EC4]

Tax planning and monitoring are vital to leverage the Group's growth.

(COP million)	2014	2015
Tax relief and tax credits	16,137	**587,288**
Subsidies	3,880	**3,880**
Tax incentives	ND	**51,152**

Direct Economic Value Generated and Distributed [G4-EC1] [SDG 2] [SDG 5] [SDG 7] [SDG 8] [SDG 9]

Nutresa is convinced that ensuring the balance between economic, social and environmental value can contribute to sustainable development.

(COP Million)	2012	2013	2014	2015
Income from net sales	5,305,782	5,898,466	6,481,813	7,945,417
Income from financial investments	47,482	52,261	55,267	56,844
Income from sales of property, plant and equipment	48,111	19,094	3,247	8,339
Direct economic value generated	**5,401,375**	**5,969,821**	**6,540,327**	**8,010,600**
Operating expenses	2,783,363	2,897,124	3,359,372	4,238,042
Salaries	442,768	480,120	579,353	768,070
Employee wages	321,879	342,880	354,612	413,037
Dividends to shareholders	163,873	177,201	198,476	212,588
Interest payments to credit providers	52,675	80,206	127,374	180,660
Payments to the Government	221,518	213,971	206,170	290,548
Community investments	13,801	20,523	33,737	46,651
Bonuses	56,401	63,105	69,117	88,797
Direct, distributed economic value	**4,056,278**	**4,275,130**	**4,928,211**	**6,238,392**
Economic value withheld	**1,345,097**	**1,694,691**	**1,612,116**	**1,772,208**

Due to the change of reporting under IFRS, 2014 data have been restated to ensure comparability with 2015. 2012 and 2013 data remain without change.

EFFECTIVE INNOVATION [G4-DMA]

Imagix Model launch in Tresmontes Lucchetti, Chile.

Purpose

To transversally support the achievement of the Organization's strategic objectives to leverage results. For Grupo Nutresa, effective innovation means the correct understanding of client and consumer needs, resulting in products, services, processes or business models that provide solutions and add value.

Strategy	Progress 2015
Implement the innovation strategy and structure the governance model.	➩ Progress was made in creating the Corporate Innovation Committee. ➩ Plans and persons responsible to implement the new strategy were defined.
Strengthen Innovation Programs: Innovative Success Stories, Exemplary Practices, Innovative Solutions and Out of the Box.	➩ Nine innovative challenges were launched. ➩ Two winning projects were selected in the second Out of the Box summons. ➩ A total of 3,406Innovative Success Stories were recognized. ➩ Six exemplary practices were rewarded.
Build the portfolio of Grupo Nutresa innovation projects.	➩ A portfolio of projects was built with the participation of all the businesses, prioritizing those with high impact and joining forces to implement transversal initiatives.
Consolidate the culture of knowledge management.	➩ Tools – such as Learning with the Expert, Transferring Exemplary Practices and Innovative Success Stories, workshops on lessons learned, and events such as ***Imagix*** Moments, ***Chocoinnova,*** Coffee Conversations, Coffee & Friends, Talks with the Expert, among others –aimed at ensuring the cycle of knowledge management and motivating its application by employees, were strengthened.

Results 2015 compared to 2020 goals

Indicator	Mega 2020	Results 2015
Innovation Sales	**15%**	**16.9%**
Innovative Success Stories / Employee	**0.3**	**0.2**

Risks and Opportunities

Grupo Nutresa identified some risks related to the implementation of effective innovation, against which it has monitoring and prevention mechanisms. One of these risks is the possibility of not reading changes to the environment, represented in legislation, provisions on packaging, intensive use of resources, price and availability of raw materials and commodities, among others in a timely manner.

For the Organization, it is a priority to act with the same dynamics as the environment demands. It is also a risk to understand innovation only from the perspective of the product or concentrate on one type of business without new innovative models. To counter this, prospective processes are being developed in the different businesses to act early, be prepared, be leaders in the food sector and set trends.

Motivation for intra—entrepreneurship, the articulation of internal and external innovation networks and the development of a flexible network of operations are evidenced as great opportunities to achieve regional results in terms of developing capabilities and approving products.

Within the ongoing analysis that is made in innovation, there is also evidence of the opportunity to learn from experience and error, retain key talent and safeguard sensitive information as variables that affect the Organization's ability to generate value. Therefore, Grupo Nutresa has a knowledge management process that seeks to maintain, transmit and develop knowledge.

Innovative Successes event. Servicios Nutresa.

Finally, the engine of innovation is human capital; for this reason, it is very important to maintain the dynamics and motivation of innovation programs, for which we have recognition events, such as ***Exemplary Practices,*** which make visible the results of outstanding projects that have potential for replication in the other businesses.

Chocoinnova innovation session. Compañia Nacional de Chocolates.

Future Perspective

By 2020, in addition to the commitment to achieve innovation sales of 15% of Grupo Nutresa's total sales, we seek to achieve 0.3 Innovative Success Stories per employee.

The biggest challenge is to continue implementing the new innovation strategy and ensuring the short–, medium– and long–term management of the project portfolio. Similarly, there will be greater emphasis on innovation with a focus on social and environmental matters; innovation incentives and recognitions will be renewed.

[G4-EC8]

It is also a big challenge to generate strategies that permit acting in the face of legislative developments in the regions where Grupo Nutresa operates. Intra– and extra–entrepreneurship will be incorporated into innovation management and a global vision with local action will be developed.

In the search for greater profitability for the businesses, alternative, differentiating technologies will be integrated to reduce dependence on raw materials and high fluctuation commodities.

Assuming these challenges in a timely manner, Grupo Nutresa will maintain its leadership in the region and be prepared to face the challenges that the market presents.

Remarkable Achievements

- One success story to highlight is presenting innovation projects of the businesses, in order to have complete visibility of the initiatives regarding innovation focused on social and environmental sustainability, large foci of innovation and the impact they have on the Mega 2020 goals. These are projects that can be worked transversally, in a balance between the short, medium and long term, and global thinking without losing the connection with the local.
  [G4-EC8]
- The Biscuit Business and Servicios Nutresa finished their future vision exercises. So far, five businesses have done this work. The Pasta and Coffee Businesses and the marketers began their in 2015.
- The Vidarium Technological Surveillance team and the businesses consolidated a radar of trends in nine dimensions that will define innovation initiatives and projects. In 2015, 46 technological watchers were formed enriching the work, for a total of 74 watchers.

The indicator [G4-EC8] is linked to the goals [SDG 1] [SDG 2] [SDG 3] [SDG 8] [SDG 10] [SDG 17]

Progress 2015

INNOVATION AS A GROWTH ENGINE

Culture

☆ **3,406**
Innovative Success Stories.

376
Innovation Promoters

Processes

There are seven processes that drive effective innovation.

- Development of the products and services.
- Investigation
- Prospective
- Strategic surveillance(competitive and technological)
- Open innovation
- Intellectual property
- Knowledge management

Resources

0.5%
of sales invested in innovation.

make up the venture-capital fund

204
people exclusively dedicated to R&D

Imagix
apasionados por la innovación

Framework for Action

Innovation strategy and governance model,
portfolio management,
management metrics and indicators.

CULTURE

Our Innovation Programs

Imagix
soluciones
INNOVADORAS

Innovative Solutions: This is a program that seeks to leverage extended innovation capabilities in the Organization's human capital. To do this, challenges are shared in the businesses and there are calls for employees to participate to find innovative solutions from their knowledge and proposals.

39 challenges llaunched since the beginning of the program.
597 solutions received.

Innovative Success Stories: This is a program to participate in formulating and implementing ideas through which the continuous development of Grupo Nutresa's human capital is encouraged. In 2015, **3,406 Innovative Success Stories** were achieved, represented as **0.2 per employee.** In addition, the innovation model was launched in Tresmontes Lucchetti.

Imagix
éxitos
INNOVADORES

Out
of the box

Out of the box: The second call of the venture capital program was launched; **40 radical innovation projects** were received, two were rewarded and resources were allocated for their implementation, which will begin in 2016.

Innovation Promoters: Human capital is key to consolidating effective innovation. For this reason, Grupo Nutresa has **376 promoters,** who have been trained in innovation techniques such as Design Thinking, magazine cover, DTV and SCAMPER, among others. The group of promoters is found throughout the strategic region; noteworthy are the trainings held in Costa Rica and Chile, where 55 new promoters were formed.

Innovation promoter training in Medellín, Colombia.

In Grupo Nutresa, innovation is awarded.

Exemplary Practices Awards Grupo Nutresa, second semester.

Exemplary Practices: This is a program that recognizes experiences in management and projects, with superior results that are replicable in other businesses. **Since the program's inception in 2007, 36 Exemplary Practices have been rewarded;** in 2015, the following were recognized:

- Self–Development (SD) Labs
- Integration model for work teams in real time for digital media marketing campaigns.
- The Leader's Bag.
- Novaventa in Your Hand.
- SCRUM: A collaborative work culture of highly effective teams.
- Healthy Space: A program to prevent and control childhood obesity in public schools.

Research Award: In 2015, the V Grupo Nutresa Research Award was held. It seeks to promote the research culture to consolidate it as one of the fundamental processes of the ***Imagix*** model and continue strengthening the intellectual capital Grupo Nutresa has.

According to the mechanics of valuation, projects presented to the call of the award are evaluated by academic peers; the three with the highest scores are awarded. In the fifth edition, 12 projects were presented and the following were awarded:

- **First Place:** Integration of phenomenological models by developing a simulation tool for multi–stage thermal processes in cold cut products. The Cold Cut Business.
- **Second Place:** Reduction of acrylamide in a flavored cracker by using asparaginase. The Biscuit Business.
- **Third Place:** Effect of the application of a sealant on the hardness of beef. The Cold Cut Business.

Sustainable Nutresa: The II Annual Sustainability Event was held, which recognizes those Innovative Success Stories that have positively impacted the sustainability of the business in any of the three dimensions (economic, environmental and social) and which – in turn – can be replicated in other Grupo Nutresa businesses. During the event, ten Success Stories were presented for their contribution to sustainability; of these, three were exalted for their high impact.

Reception of the Sustainable Nutresa award at Meat Business.

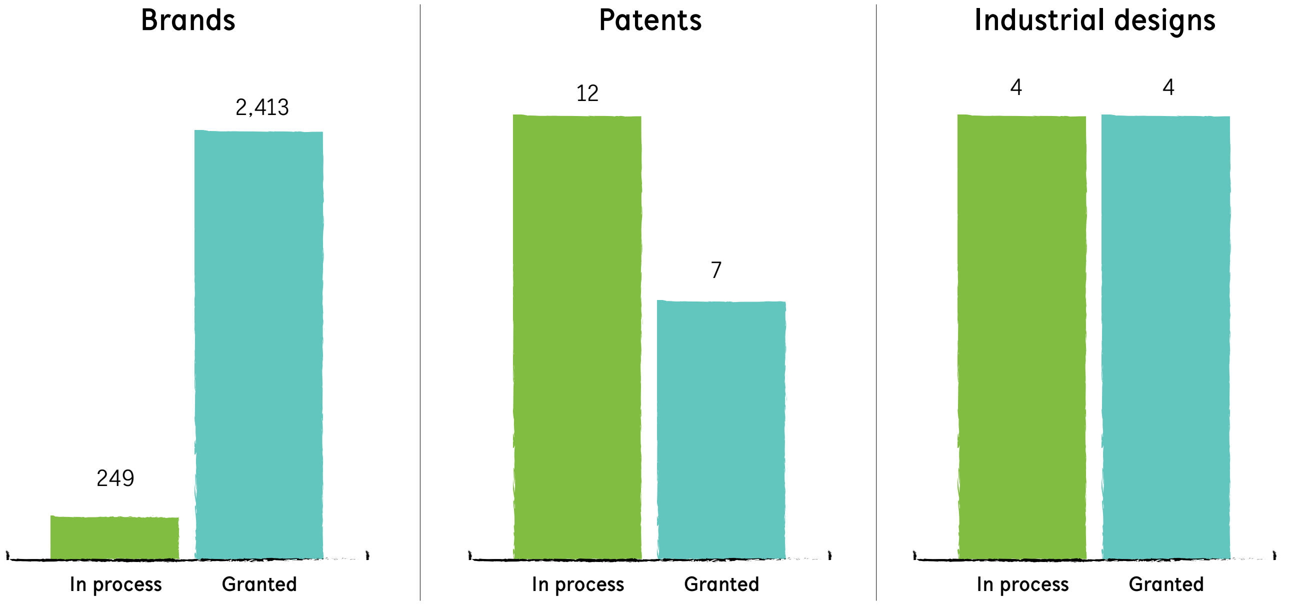
PROCESSES

Prospective

Five prospective exercises have been conducted for the Chocolate, Ice Cream, Cold Cut and Biscuit Businesses and Servicios Nutresa.

Intellectual Property (IP)

Intellectual capital management is a strategic process that supports innovation, since it permits the protection and preservation of knowledge generated, the identification of key technological trends in planning and prospective exercises, and the reduction of risks of infringement of third–party titles. Surveillance enables the establishment of boundaries of knowledge of competitors. Intellectual property maintains competitive advantages and is increasingly more relevant within the ***Imagix*** innovation model.



Knowledge Management

Synergy Communities Annual Event.

Imagix
gestión del
CONOCIMIENTO

Promote the development of synergy communities in their maturity curve
Synergy Communities (***4º Encuentro Anual de Comunidades de Sinergia***) Everything Has a Purpose, which featured the Kankawarwa cocoa community from the Sierra Nevada de Santa Marta. In this space, synergy communities – inspired in the knowledge of the Arhuaco Indigenous community – rethought their purposes to continue evolving and adding value to Grupo Nutresa.

Strengthen a 2.0 culture that encourages collaborative work and knowledge management
The Campus Nutresa collaborative work and participation network continued to grow in 2015 and reached 3,500 users, thanks – in part – to the development of an Endomarketing plan that included training activities, the Social Business for Productivity conference with storyteller Louis Richardson, training for managers, network management with synergy communities and a Champions Program, employees who are active in this social network and share contents that are interesting for the Organization.

Logistics team at the Synergy Communities Annual Event.

Research

Innovation is based on knowledge, such as intellectual capital; for this reason, in Grupo Nutresa research processes are strengthened throughout the logistic chain, with formal approaches to the development of lines of scientific research in processes, food matrices, consumer behavior, nutrition, food and health. The Organization has a broad portfolio of research projects that will be evident in the medium and long term of the different businesses.

Seventh Academic event of Vidarium.

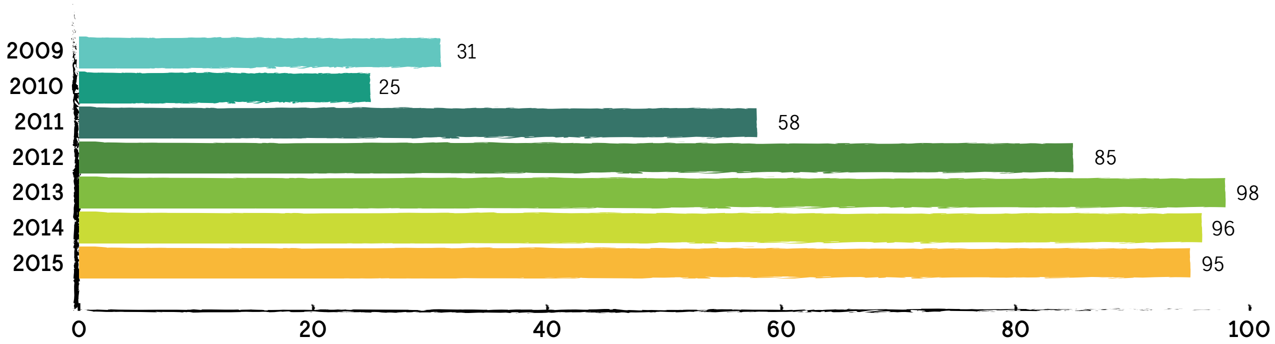
FRAMEWORK FOR ACTION

Implementation of the innovation strategy

During 2015, the implementation of the innovation strategy was begun, with advancement in the creation of the Corporate Innovation Committee and the definition of the portfolio of Grupo Nutresa innovation projects.
In addition, work plans and persons responsible to execute the projects proposed by the new strategy were defined.

Innovation in the DJSI

For the fifth year, Grupo Nutresa is part of the Dow Jones Sustainability Index. In the chapter on innovation, the Company stands out as one of the best in the food sector, thanks to its practices in innovation management and research and development.



RESOURCES

The Organization allocates economic resources and human capital to drive innovation.

The investment in R + D + I was **COP 39,727 millions**
204 people exclusively for innovation.

Product Innovations Grupo Nutresa

CHOCOLATES

RESEALABLE CORONA CHOCOLATE, IN TABLETS

Seeking to generate differentiation inspired in consumer awareness, Corona Chocolate launched its new "resealable tablets," with easy–open–and–close packing that improves product conservation in the household pantry and individual tablets that do not need to be cut. In the post–launch study among consumers, this innovation has attributes of practicality, safety and comfort.

JUMBO DOTS

The Jumbo brand presented a new way to eat with Jumbo Dots, attracting young people with the taste of Jumbo chocolate and the concept of snacking in both individual presentations and packages to share. With this reference, the brand entered and led the chocolate–covered peanut segment, doubling the value of this segment in Colombia.

TOSH NUTS

Tosh launched its line of nuts to capitalize on the rapid growth of the segment and its healthy perception by consumers. This launch attracted new consumers to the brand and the category.

CRUJI MIX NUT MIX

The growth of nuts is primarily in the segment of mixes. For this reason, La Especial launched its new ***Cruji Mix,*** an irresistible mix with a crunchy texture that makes it different and unique in the market. ***Cruji Mix was*** initially launched as a limited edition, but became a line product due to its good acceptance.

OLÉ OLÉ CRUNCH

At the request of young Peruvians, ***Olé Olé*** Crunch was launched; it is a combination of a chocolate–covered marshmallow with crunchy cereal. This was a successful combination for the brand and a novelty for the world of cravings.

NUCITA *PATITAS*

Nucita ***Patitas*** was launched in the Mexican market in July 2015. It is the creamy sweetness that combines Nucita's three known flavors: chocolate, vanilla and strawberry in a fun, colorful container to play with while enjoying its delicious taste. This was an innovation that – in only five months – became the fourth reference in Nucita sales, strengthening its position in current consumers and attracting new consumers to the category.

ICE CREAM

POPS FRUIT MIX

The POPS Ice Cream Parlors in Costa Rica began selling a new product category requested by consumers, who are increasingly more conscious of their health. The fruit smoothies offer enjoyable, healthy combinations of various fruits, which can be mixed with ice; yogurt and/or ice cream may also be added, an alternative loaded with lots of pleasure and health.

POLET PRECIOUS METALS SPECIAL EDITION

The "Polet Precious Metals" special edition became big news in the last quarter of 2015. Its chocolate coatings, inspired in fine chocolate that uses this type of coatings, was the motivator to present this product to the market. The Polet brand, based on values of luxury, pleasure and aspiration, combined delicious creamy ice cream, with additions of solids and covered in metallic chocolate. Nearly three million units were sold in three months. Polet, a new way to live and feel the greatest pleasure.

NEW ALOHA MIX

The new Aloha Mix combines a refreshing taste with the indulgence of condensed milk but with only 60 calories per unit, thanks to the special development of its low–calorie sweetened condensed milk. Refreshing and enjoyable is how consumers describe it. The new Aloha Mix established record sales in the brand's special popsicle line, selling 11 million units in 2015.

FESTIVAL ICE CREAM

The new Festival Ice Cream Sandwich is the perfect combination of three rich pleasures: Crem Helado vanilla ice cream, the Festival cookie and chocolate. Its delicious vanilla ice cream also contains sparks of flavor that increase pleasure in every bite; when mixed with the cookie and the chocolate, it becomes a feast of flavors and textures. This product reached consumers for only COP 1,000, becoming a major success in sales in 2015, with more than seven million units sold in less than four months.

COLD CUTS

PRACTISÁNWICH ZENÚ

Zenú surprised the market once again with a practical, delicious, reliable product. Practical because a single product in a single package offers the perfect combination for a unique sandwich. Delicious because it has the quality of Zenú sandwich ham, made with 96% fat–free pork leg. It also has Alpina ***Sabana*** Cheese, a fresh, semi–hard cheese with uniform texture and smooth taste. And reliable because it is backed by the union of these two expert brands, leaders with extensive experience in the Colombian market. Besides satisfying consumer needs, this launch aims to strengthen Zenú in the ham segment, the second most important of the category.

PIETRÁN NEW PACKAGING

Pietrán, the Cold Cut Business' premium brand, launched a new packaging that responds to consumer needs and ensures a more competitive position in the market. The packaging consists of rigid trays with easy–open–and–close lids that offer multiple benefits to consumers: it allows better handling of the product, it has a large front window that provides confidence and security because consumers can verify the freshness of the ham, and it is a useful packaging because it is not necessary to change the container after opening. Pietrán was the first brand of cold cuts in Colombia to bring this new packaging that has reinforced the attributes that consumers recognize: status, innovation, protection, convenience and confidence.

SPECIAL EDITION SPICY RANCHERA

To please Ranchera consumers looking to get out of the routine, satisfy their cravings and enjoy different experiences in flavors and textures, the brand launched its special edition Spicy Ranchera, a sausage achieved with the secret Ranchera formula and special additions of jalapeños. The brand successfully achieved consumer satisfaction and met the sales budget goal in three weeks.

El consumidor de Ranchera busca salirse de la rutina, satisfacer sus antojos con productos que son parte de su cotidianidad valoran experiencias en sabores y nuevas combinaciones.)

Encuentrala en Grandes Cadenas y Autoservicios - Independientes del 1 al 31 de octubre.

RICA SAUSAGE AND CUNIT HAM

In order to reach price–sensitive buyers, Rica launched a new 684–gram frankfurter–type sausage; Cunit offered the Northern Region a new ham in 230– and 400–gram presentations. With these products, Rica and Cunit fulfilled their promise to be cost–benefit brands that offer a reliable option with good tasting, quality products, while leveraging the Business' growth axis.

SPECIAL SEASONS

In order to boost the Christmas season with a multi–brand proposal under the concept of "Celebrating Together Makes Christmas Bigger," Zenú, Ranchera and Rica offered consumers new products through the direct–purchase, large chain and traditional channels. Zenú has the Pork Bondiola in its innovations, in the category of cold cuts and Chicken with Antipasto and Smoked Ham in the long–life category. Meanwhile, Ranchera surprised consumers with the Ranchera Corona, a special mix of beef and pork for grilling, seasoned with spices such as pepper and paprika to achieve the exquisite taste of Argentinian chorizo. And Rica offered Artisan Pork Leg, a delicious sliced product, packed in a practical tray to accompany any special Christmas moment.

PASTA

DORIA CHORIZO–FLAVORED SPAGHETTI

Doria launched Chorizo–Flavored Spaghetti, with all the sausage flavor Colombians like. Practical and easy to prepare, it can be enjoyed alone or accompanied by the most delicious grilled or microwaved typical dishes.

DORIA KIDS – PLAY DOH "YOU CAN PLAY WITH PASTA"

Doria Kids got into the market with two excellent choices for food and fun: Zoo and Sports with Cheese, the pasta with shapes kids prefer and high nutritional content. Doria Kids included a can of Play Doh, undoubtedly the best way to stimulate creativity.

CALAMARI

Looking to give consumers relevant, differentiating news, an exclusive product was developed for the Novaventa Catalogue. It is ***Calamari,*** a ring–shaped pasta that – besides having Durum wheat – is made in bronze molds, which give it that special texture that characterizes one of the best pastas in the world.

LINGUINE #7

In June 2015, Linguine #7 was launched. It is oval shaped that – compared to (flat) Fettuccine and (round) Vermicelli Spaghetti – is ideal to complement the portfolio of long pasta and have the shapes most preferred by consumers.

DORIA SELECT

To make each moment a special occasion, Doria launched two new figures: Spaghetti No. 5 and Nests. Made with 100% highest–quality Durum wheat, they are an excellent option for consumers looking for new, top quality recipes.

BISCUITS

TOSH ANDEAN SEEDS AND CRANBERRIES

Tosh continues progressing to lead the development of healthy lifestyles by launching new biscuits that offer consumers different options for care and enjoyment at the same time. The new biscuits are made with chia seeds, quinoa, cranberries, among other whole grains, which are ingredients that provide nutrients such as fiber, omega–3, antioxidants, protein, calcium, vitamins and even anti–inflammatory properties. This innovation continues to strengthen the biscuit segment in which Tosh is present in 42.3% of Colombian households.

FESTIVAL AND MINICHIPS GROW WITH THE MINIONS LICENSE

As the leading brand in the children's sweetmeat segment, Festival is challenged to constantly differentiate and innovate. In 2015, together with Minichips, it was inspired by one of the most important children's films of the year: Minions, developing a strategy that included the massive promotion with collectible stickers, innovation with the new "Citrus Fruit" flavor, and offering prepacks of thermoses alluding to the movie. With this strategy in Colombia, sales grew 22%; in Ecuador, 28% vs. the same period last year (June, July and August), fulfilling the budget at 110%. These figures contributed to Noel's achieving a record high market share of 56.1%.

NOEL CHRISTMAS

The growth in Christmas sales each year is given through innovation products. The presentation of chests has great relevance in the portfolio, being the gift of tradition to share magical moments with family and friends. For the Christmas 2015 portfolio, in addition to the traditional chests with new designs, the new Snowman chest was launched as a decorative element, which may then be used as a bank, continuing the strategy of presenting products for subsequent use and special recreation to connect with children.

CHOCO BUM AND CHOCO BOING MERENDINAS

During the first half of 2015, the new Choco Bum and Choco Boing ***Merendinas*** were launched. They are sweet baked chocolate–flavored cakes filled with caramel and vanilla cream that entered to strengthen the portfolio of individual presentations of ***Merendina*** for a competitive offer in the market. These products are sold in Costa Rica, Guatemala and El Salvador with a very positive impact, allowing greater visibility of the brand in the traditional channel.

ABIMAR ENTERS THE CRACKER MARKET

With the inauguration of the cracker plant in the United States, AbiMar Foods entered the American market with Saltine Crackers and Snack Crackers, under its TruBlu and Lil' Dutch Maid brands, with formats made for the American market, offering variety and versatility to clients and consumers.

TMLUC

Gold Creamer

This is the extension of the Gold brand in the coffee creamer market, in original, vanilla and chocolate varieties.

BAKED *KRYZPO*

This is Tresmontes Lucchetti's principal launch in 2015, entering the cracker market with the ***Kryzpo*** brand and its varieties Cricket, MiniPizza and Croc.

LIVEAN TEA

This is the extension of the Livean brand of ready–to–drink (RTD) beverage teas, with tea antioxidants and 0% added sugar.

ZUKO LIGHT

This is the revival of the Zuko low–calorie version, the leading brand in the instant beverage market. All of Zuko's flavor with 0% sugar and calorie free.

LUCCHETTI CANELONES AND TALLIANI CONCCIGLIONNI

Both are specialty pastas to stuff, with greater added value for consumers, produced by Doria for Lucchetti Chile.

COFFEE

COLCAFE 3 IN 1

A mix of instant coffee, cream and sugar, lactose, cholesterol and trans fat free, it has 90 calories per portion. Its preparation is convenient, as it only requires water to enjoy a delicious, creamy coffee in just seconds. It comes in the family presentation of 20 portions and is the only product on the market in individual packets. The product has had high acceptance, as it is considered delicious, practical, convenient and affordable for consumers.

MATIZ NARIÑO

Grown in Nariño, one of the most recognized Departments in the world for growing specialty coffees, between 1,300 and 1,800 meters above sea level, in volcanic soil, with a mixture of the ***Caturro*** and Colombia varieties, it is sun dried, allowing consumers to enjoy a coffee with an intense fragrance and aroma with sweet, floral and lemongrass notes. It offers a cup with a fine balance between acidity and body, with a long, lasting aftertaste.

SELLO ROJO 600g

This is an extension of the line that was launched exclusively for the chain–store channel, aimed at increasing the value of the transaction in the standard ground–coffee segment, decreasing the price war between distribution channels and offering consumers a differentiated presentation with a smart price gram for gram. It comes in a family–size presentation and yields 120 cups.

RETAIL FOOD

MILK SHAKE FESTIVAL

The Hamburguesas El Corral Milk Shake Festival is part of the Company's history that each year provides new, innovative flavors. In 2015, clients chose the Milk Shake Festival flavors; the five flavors chosen by Facebook fans were Belgian Chocolate, Caramel, Tres Leches, Cheesecake and Passion Fruit.

CORRAL ARTISAN HAMBURGER

The crafted hamburger is prepared with a delicious, fluffy, soft artisan bread, evoking bread made by hand at home, with a delicious flavor, less fat and fewer calories than tradition hamburger buns with sesame seeds. The meat used – 165 grams of juicy beef – is larger than meat in a ***Corral.*** Crisp, fresh lettuce, juicy, red tomatoes and a different touch of sweet red, slightly spicy onion rings are added. It is grilled to perfection basting it with the original BBQ sauce, taking care that it is cooked medium well (3/4), leaving it juicy and very tasty. The perfect accompaniment is French Fries.

PROMOTING A HEALTHY LIFE

The consumer welfare is a priority for Grupo Nutresa, therefore works in promoting healthy lifestyles, making nutritious and safe food, and appropriate communications that build trust and allow the consumers to make conscious and informed decisions.

A FUTURE
TOGETHER

NUTRITION AND HEALTHY LIFE

[G4-DMA]

Implementation of the Healthy LifeStyles program at the Educational Institution Guillermo León Valencia. Cauca, Colombia.

Purpose

To offer products and menus that provide consumers with alternatives that meet their expectations for nutrition and wellness and actively promote healthy lifestyles through awareness and training campaigns and programs. Grupo Nutresa's priority commitment is to encourage responsible consumption through clear labeling and comprehensive advertising, enabling informed decision making by consumers.

Strategy	Progress 2015
Adjust the nutritional profile of products.	The goal established for 2020, to double the 2012–based portfolio fulfilling the standard defined was achieved, which corresponds to 2,949 references within the profile fixed for each category to which they belong.
Implement front panel nutritional labeling on all the products.	Front panel labeling was extended up to 3,453 references to what was covered 83% of the portfolio. [G4-PR3] [SDG 12]
Promote healthy lifestyles.	In Colombia the "Enjoy a Healthy Life" campaign was carried out and on the other hand significative progress was made within the Alliance for Healthy Lifestyles with the Ministry of Education. In Chile and Mexico, the program to prevent childhood obesity in public schools was continued. In addition, the framework of Healthy Organizations Was adopted for the internal community.
Reduce nutrients of interest in public health.	A total of 83 products were reformulated in sodium; 55, in trans fats; and 68 in the sugar content.
Manage advertising responsibly.	Self–regulation on not advertising to children under six was applied and the commitment to self–regulation in advertising was formally assumed, together with other companies in the food sector.

Risks and Opportunities

Given the concern about the health status, including obesity, of the population, governments have designed intervention policies to achieve changes in lifestyles. Grupo Nutresa constantly monitors these policies and seeks to establish a self–regulatory framework that allows consumers to have alternative nutritional products, as well as informed decision making.

In order to achieve direct impact on the population, in addition to our own commitments Grupo Nutresa has signed voluntary agreements to act responsibly in advertising and marketing, labeling and reformulating and innovating products through the Food Chamber of the National Association of Businessmen of Colombia (***Asociación Nacional de Empresarios de Colombia,*** ANDI). We have also participated in the ***ConSiente*** initiative, a call to understand that wellness depends on the balance in diet, physical activity, relaxation and fun, work, family and reflection, among others.

The permanently evolving regulatory frameworks, not only for what is noted above but also for new scientific findings, require constant vigilance to make contextual decisions, for which the Organization has an expert structure.

The Comany also believes that children's education is where the greatest efforts should be made to achieve the transformation of lifestyles; for this reason, it participates in specific alliances and programs aimed at this population.

Future Perspectives

The regulations on labeling, nutrient content and advertising in the different geographical areas where Grupo Nutresa is present are a permanent challenge that increases due to the differences among countries to establish control over such matters, and which implies high adaptability of the business model. Given that the objective is to be prepared for changes and minimize the impact on competitiveness, Grupo Nutresa participates in national consultations on the different regulations and designs implementation plans that are carried out within the times established.

The 2020 goal to double the portfolio that meets the nutritional standards defined in the Nutresa profile was achieved in 2015 with the inclusion of the Tresmontes Lucchetti portfolio, with which we achieved a wide range of products that facilitate decision making.

In consideration of the above, we established a new 2020 goal, which is to multiply by 2.5 the offer of products adjusted to the definition of the nutritional profile based on 2012, continuing the program of reformulating nutrients of interest in public health, maintaining the policy of self–regulation in advertising for children under six, welcoming the new commitment to only advertise products that meet criteria established for children up to twelve years old, and include nutritional information on the front panel of packages.

Development of the Healthy LifeStyles strategy at the Technical Education Institution for Social Promotion. La Guajira, Colombia.

Remarkable Achievements

The program Childhood Obesity Prevention in Public Schools, a **Healthy Space,** sponsored by Tresmontes Lucchetti – together with the University of Chile's Institute of Nutrition and Food Technology (***Instituto de Nutrición y Tecnología de los Alimentos,*** INTA) and the municipalities of Macul, Cerro Navia, Casablanca, Rancagua and Chillán in Chile – **obtained the *Avonni* National Innovation Award, in the Public Innovation category, from among more than 700 projects postulated.**

Reception of the National Innovation Award, given by the Ministry of Economy and the Innovation Forum to Tresmontes Lucchetti. From left to right: Felipe Lira, Manager of Corporate Matters of Tresmontes Lucchetti; Carmen Castillo, Health Minister of Chile; and Justo Garcia, president of TResmontes Luchetti.

Launch of the Healthy Lifestyles agreement with representatives from the alliance.

The campaign Enjoy a Healthy Life received the distinction in Colombia as the TOP 10 P&M Advertiser of the Year, with 61.62% of the votes in the category. This recognition was awarded by the marketing and advertising community for outstanding practices and businesses in the sector in Colombia through the Portal P&M, belonging to the magazine ***Publicidad, Mercadeo y Medios en Colombia.***

A noteworthy success story is the Healthy Lifestyles strategy, an initiative developed by Grupo Nutresa in partnership with the Colombian Ministry of Education, the World Food Programme, UNICEF and the University of Antioquia which seeks to strengthen the capacities of children and adolescents from 20 educational establishments in the country in terms of healthy eating, physical activity and hygiene practices. **This public–private partnership focuses actions required to transform lifestyles by educating new generations.**

Progress 2015

As part of the food sector, Grupo Nutresa considers the nutritional status of populations to offer products according to their needs and realities. The current situation shows that, despite the fact that large populations continue to exist in conditions of malnutrition, concern about overweight and obesity is what is directing a framework of responsible action. Almost all the countries of the world are experiencing a level of malnutrition. Between two and three billion people are undernourished; that is, they suffer from some form of malnutrition they are overweight, obese or lack certain micronutrients. This reality requires a varied food supply with controlled nutrients, both to increase those deficits as well as reduce those that are of interest in public health because of the ratio of excesses with chronic, non-communicable diseases.

Obesity, the primary social concern at this time, justifies the call of the World Health Organization (WHO) and other international agencies to undertake prevention programs with measureable objectives and results that positively impact the health condition of individuals, the quality of life of populations and the development of countries. In this context, Grupo Nutresa contributes to this strategy raising awareness so that people make appropriate decisions for a healthy lifestyle, which includes actions ranging from portfolios with suitable offers, to communication that allows for informed decision making. Noteworthy are the following issues:

REFORMULATION OF PRODUCTS

[G4-FP6] [SDG 2] [G4-FP7] [SDG 2]

During 2015, 105 products were adjusted to the nutritional profile defined for the different categories and progress was made in the program to reduce nutrients of interest in public health with 83 reformulations in sodium; 55 in trans fat; and 68 in sugar, and nitrites and cholesterol reduction to 52 products. Similarly, Tresmontes Lucchetti added its portfolio to the nutritional profile of Nutresa, reaching 1,049 products that meet this profile.

Among the main advances generated in 2015, is the reduction of nutrients or other substances identified with potential risks to health as sodium, sugars, trans fat, saturated fat and nitrites, as well as adjusting the portfolio to an appropriate nutritional profile for consumption occasion.

EVALUATION OF HEALTH IMPACTS [G4-PR1]

MAIN ACHIEVEMENTS IN 2015	
Ready-to-eat dishes and Meat products	• Adjustment in sodium an nitrite content of several references.
Flavored pasta and specialties	• Reduction of sodium and sodium glutamate removal of Macaroni Doria and Doria Kids and cheese. • Adjustment to increase calcium and vitamin A in Doria Kids.
Pasta with sauce and instant pasta	• Adjustment in flavor and sodium reduction in product macaroni cup.
Sweet biscuits	• 15% reduction of sugar in Festival brand. • Replacing fat to reduce saturated fatty acids in the Tosh brand
Cereals	• Launching a granola with chunks of semisweet chocolate fortified with vitamins and minerals.
Beverages	• Launching of White Chocolisto, Cocoa Raff and Johnny's Dutch oragne fortified with vitamins and minerals • Launching of Chocolisto less sugar (50% less than the regular product line) for Ecuador and the Caribbean.
Chocolate substitutes	• Reduction in sugar content of several references of Chocolates Business productos as Jet Chiky and brands produced at the Costa Rica plant.
Nuts and their mixtures	• Modifications in the formulation of several references of snacks seeking to reduce the amount of sodium in the final product • Launching of the portfolio of healthy snacks under the brand Tosh with no artificial colors, no preservatives, low sodium and zero trans fats. • Launching of La Especial Roasted Peanut: sea salted roasted peanuts, free of trans fat and naturally free of cholesterol.
Instant mixes	• Reformulation of trans fat in Cappuccino and *Todo en Uno* references for the international market. All references sold in 2015 met the nutritional profile of Nutresa.
Fruit beverages	• Reformulation of orange and apple fruit beverages, adding the daily requirement of vitamin C on a portion of 200 ml.
Ice cream	• Reduction of sugar content in 21 references of the portfolio. • Launching of Chocolisto ice cream for children with good source of vitamin A, D3, B1, B2, B3 and calcium.
Water based products	• Launching of the product line Aloha mix popsicle with a good source of vitamin C, natural dyes, fruit juice and condensed milk reduced in calories and sugar.
All categories	• Review and analysis of the nutritional profile and inventory of references in each of the business units to identify compliance.

VOLUNTARY LABELING

In order to provide consumers with clear information on the nutritional values of products, Grupo Nutresa continues to include front panel labeling up to 3,453 references, achieving 83% of the portfolio.

Compliance with regulations and the voluntary codes is a prerequisite for the development of Grupo Nutresa's activities; therefore, it has an integrated management system that groups quality, food safety, environmental management, safety management and health at work, among others.

Cases of Noncompliance of Regulations and Voluntary Codes related to labeling and Marketing Communications

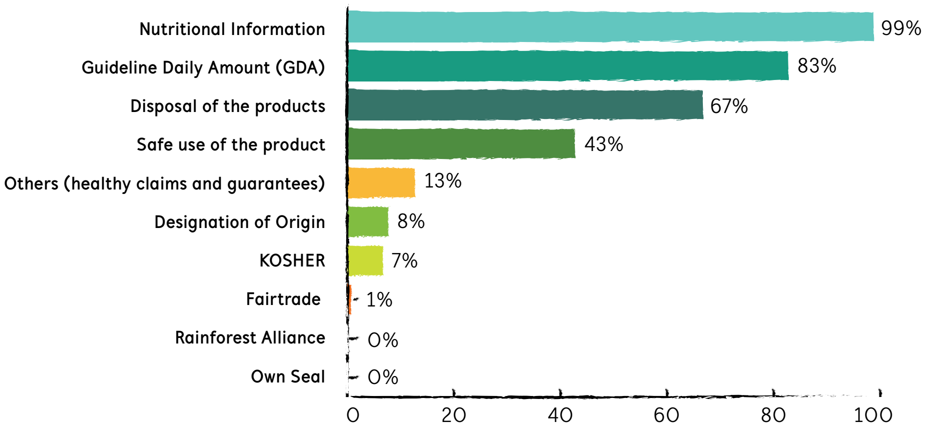
[G4-PR4] [SDG 16] [G4-PR7] [SDG 16]

	2013		2014		2015	
	Labeling	Communication	Labeling	Communication	Labeling	Communication
Number or penalties	0	0	0	0	1	0
Number of Warnings	1	1	0	0	0	1
Number of incidents of non-compiance with Voluntary Codes	6	6	9	0	0	0
Total	**7**	**7**	**9**	**0**	**1**	**1**

INFORMATION ON LABELING OF PRODUCTS AND SERVICES [G4-PR3] [SDG 12]

The Organization's procedures regarding information and labeling require that 100% of the product categories contain data related to the origin of the raw materials, the content of substances that have environmental and social impacts, safety instructions and the elimination of the environmental impact.

% of Products with Information Related to Sustainability Attributed in the Label



RESPONSIBLE ADVERTISING

The Organization has a self–regulation policy on advertising and responsible marketing (http://www.gruponutresa.com/en/content/nutrition). Maintaining the principles of responsibility, honesty, truthfulness and fair competition, the Company applied advertising self–regulation directed at children under six and pledged to restrict advertising to children under twelve to products that meet the nutritional profiles established.

The Grupo Nutresa companies have no products that are banned in any of the markets where it operates. **[G4–PR6]**

PROMOTING HEALTHY LIFESTYLES

Given the importance of educating and raising awareness on lifestyle, several actions were developed on this front:

The "Enjoy a Healthy Life" Campaign: In principle, this initiative invited people to avoid being sedentary with the story of Juan Pablo, a man with no time to exercise; he decided to turn the city into his gym. With his story a message was sent to the principal cities of the country. Various media and a digital ecosystem amplified the message. Through this campaign, Grupo Nutresa reached 6,703,588 people in the target population and a total of 17.973.366.

Shortly after, the campaign hit the streets with Gym City, a movement that sought to promote physical exercises in any part of the city by reinterpreting urban furnishings. It has its own manual for the use of eight urban spaces, each with more than 60 routines that turned cities into the largest fitness center in Colombia. Key contact points were identified and short messages were delivered with invitations to change habits and stop being sedentary.

The second stage of the campaign was designed to promote a balanced diet; in this framework, the story of Silvia, a woman who – thanks to a varied, balanced diet with sufficient food – overcame an eating disorder to fulfill her dream of dancing. Her testimony helped spread awareness of proper nutrition and the message was amplified by various media and an entire digital ecosystem. In the target group, 6,365,532 people, and a total of 17.151.058 people, were reached.

Thanks to Silvia's story, Happy Food! (¡Comida Feliz!) was born, an initiative that taught consumers to put what they like and what they need on their plate, based on the following principles:

- Always include all the food groups: grains, proteins, fruits and vegetables.
- Don't play with meal times.
- Eat at least five times a day: three main meals and two snacks.

Enjoy a Healthy LifeStyle Campaign..

- Remember that, in company, our mind is also fed.

Additionally, and with the support of recognized nutritionists, two publications with recipes and preparations were developed.

To complement this campaign, different contents were presented on the Webpage www.nutresa.com that encouraged people to take the first step toward a healthy lifestyle. In 2015, 621,982 users and more than 2.4 millions of visits spreaded the message. Actually, 5,360 users inscribed receive a different article each month in their email, of which 19.9% are read and 3.6% consult additional related articles in the web page.

Healthy Spaces Project, Mineral El Teniente School, Rancagua Chile.

The Healthy Space Program: This program to prevent childhood obesity in public schools in Chile and several municipalities, supported by Tresmontes Lucchetti and the University of Chile's INTA, showed unprecedented results by reducing the prevalence of obesity in schools intervened in the Casablanca commune between 2002 and 2004, dropping from 21.6% to 12.2% in boys and from 19.4% to 8.7% in girls. This project has been disseminated through four published scientific articles, a guide for replication, two nutrition manuals and 15 presentations in scientific conferences. The replication of these practices in the schools in the Macul commune shows similar results: the reduction of obesity from 20.2% to 18.3% between 2006 and 2009, when it increased 21.5% in the country. This new experience also produced contents for disclosure: seven scientific articles, four manuals and 20 presentations at events. After these experiences, it was decided to disseminate the model throughout all of Chile, which has benefitted more than 4,600 children.

This model is based on associativity; its pillars are education in nutritional education, physical activity, the school store and the involvement of teachers, parents and the community.

A study on efficacy was also carried out through a randomized–cluster investigation, resulting in a 5.5% reduction in obesity in children when the full model was applied; 3.4% only when working with optimized physical activity and 3.9% when the model included only the school store and food and nutritional education.

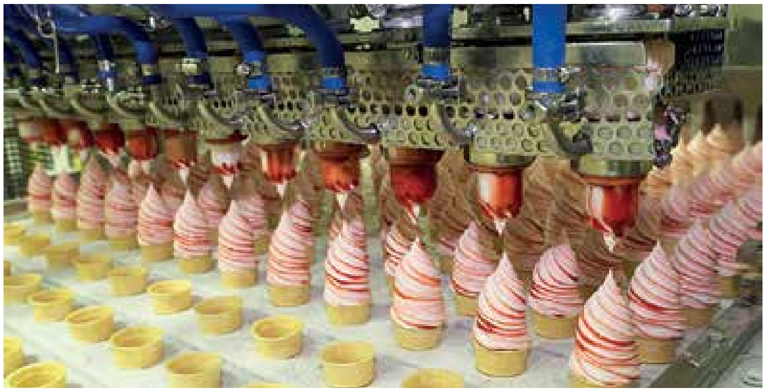
Healthy Lifestyle Alliance: This is an initiative Grupo Nutresa developed with the Colombian Ministry of Education, the World Food Programme, UNICEF and the University of Antioquia, a recent ally, which seeks to strengthen the capacities of children and adolescents from 20 educational establishments in the country in terms of healthy eating, physical activity and hygiene practices. In 2015, it was possible to:

- Raise awareness on healthy eating, hygiene practices and physical activity in 20 educational institutions in 10 departments in Colombia.
- Collaboratively build boxes of educational tools aligned with the basic standards of skills to motivate and train members of the educational community on Healthy Lifestyles.
- Raise the baseline to implement the training strategy in Healthy Lifestyles.

For 2020, we expect to continue developing capacities on hygiene practices, healthy eating and physical activity in more than 1.229 students, teachers, parents, School Food Program (SFP) operators and officials from the Secretariats of Education in the country. In addition to strengthening teaching in the educational community, the challenge is to promote the continuity of the public–private partnership by implementing institutional educational projects that become the chart in Colombian schools and universities. Also, with the strategy, the capacity for inter–sectorial management of quality and the coverage officers of the targeted Secretariats of Education will be consolidated.

In the strategic region where Grupo Nutresa operates, a growing interest in a better quality of life for consumers is currently evident, which has led the Company to place this interest in the center of its Corporate Vision and Mission, offering foods and experiences of known, beloved brands that nourish and generate wellness, and create value in the social capital with its stakeholders.

FOOD SAFETY [G4-DMA]



Production process of the Cono Soft by Crem Helado, Bogotá plant, Colombia.

Purpose

To provide quality products that satisfy the needs of wellness and nutrition and ensure consumer confidence through monitoring with quality and food safety management systems under strict compliance of the legal framework and providing excellent service.

Strategy	Progress 2015
Advance in the implementation, certification, maintenance and improvement of management systems.	Certification was achieved in different quality and product safety management systems, which allow us to offer reliable, safe products to clients and consumers: • **Quality ISO 9001:** 28 operation centers • **Good Manufacturing Practices GMP:** Eight operation centers • **HACCP:** 15 operation centers • **Regulations recognized by the Global Food Safety Initiative (GFSI):** Nine operation centers • **Product Certifications** • **Kosher:** Seven operation centers • **Halal:** Five operation centers • **Fairtrade:** Two operation centers • **Organic:** One operation center • **Cocoa Practices:** One operation center • **In the Agricultural Sector** • **Best Agricultural and Rainforest Practices:** One operation center
Implement the Food Defense Model for food protection	Training of key staff in the Businesses was conducted in the Food Defense Model for food protection. Progress was made in implementing the Model in the Coffee, Chocolate and Biscuit Businesses.
Maintain and improve health and hygiene conditions in production plants and sales networks.	A result of 91.6% of the Grupo Nutresa companies in the Sanitary–Hygienic Profile (SHP).
Implement the supplier monitoring and development plan.	The incorporation of new legal requirements was accompanied in 361 suppliers of direct materials and 55, indirect.

Risks and Opportunities

Changing trends in consumer demands have promoted changes in legislation related to consumer protection. Given this circumstance, Grupo Nutresa now has quality management systems to identify opportunities for improvement and adopt the measures necessary to seek continual improvement of processes.

In addition to managing legal compliance in foods, constant updates are made in standards to ensure and be at the forefront in international management systems of certified quality and safety.

Food adulteration is a risk throughout the supply chain, which is managed by implementing control in the supplies in sourcing, production and distribution. To do this, technical specifications are implemented that permit knowing the components of the supplies in detail with food protection management systems – Food Defense – and security schemes in distribution that ensure consumers unadulterated foods of any kind.

Taking into account the increase in digital platforms, the challenge to generate and maintain constant communication with clients and consumers urges the Organization to have different channels in social networks and Websites, to facilitate the reception of and response to different user concerns and opinions. To appropriately address and manage these communications, we have staff specialized in receiving, attending and scaling requirements in a timely manner, and specific attention protocols for events in social networks.

Future Perspectives

For Grupo Nutresa, food security and safety is a constant priority in the development and manufacture of the entire portfolio of products; for this reason, by 2020 we foresee the implementation of the Food Defense Food Protection Model in all operation centers.

To facilitate the implementation and certification of other management systems, we will seek to establish atransversal management system for the Organization, to close gaps and comply with requirements from consumers, clients and regulatory matters as a result of international expansion.

On the other hand, and in order to monitor and provide timely responses to consumers and the market on new consumer habits that may lead to inhibitors, we will implement a social network monitoring center to detect areas of opportunities in clients and consumers, and manage them in a timely manner.

Professionals from the microbiology laboratory carrying out quality controls. Compañia de Galletas Noel, Colombia.

Microbiology plate reading for product quality control. Meat business laboratory.

Remarkable Achievements

Pastas Monticello Fusilli was recognized as **one of the best pastas in the world and received the Monde Selection Gold Medal in Belgium.**

Hamburguesas *El Corral* was recognized as the best fast food restaurant in Colombia in the X edition of the *La Barra* Awards. It is important to note that this is the fourth time that the chain has earned this recognition and for two years was declared the winner with no competitor coming close.

Collaborator from the Laboratory and Quality area, Colcafé Medellín.

Progress 2015

As part of its corporate philosophy and performance, Grupo Nutresa focuses its management on food safety with safe, quality products that provide consumers with trust in what they purchase and consume. Therefore, the purpose of the integrated management systems is to guide and strengthen the performance of processes to ensure product quality and safety, as well as directing, articulating and aligning the requirements of the subsystems that comprise it: labor risk management, environmental management, quality management, risk management, business continuity, health organizations and corporate social responsibility, among others, supported by tools that provide a model of innovation and continuous improvement.

With the participation of the businesses, sales networks and Servicios Nutresa, in 2015 the Integrated Management System (***Sistema Integrado de Gestión,*** SIG) synergy community defined the protocols of performance in external assemblies to support the negotiations of assembled products and the construction of a risk and crisis management protocol in social networks.

Likewise, integrated management system indicators were approved, which allow permanent benchmarking among the businesses and quickly find opportunities for continuous improvement, define joint strategies and establish a timely correction to any possible deviation.

The management systems under which the different Grupo Nutresa plants are certified are continuously reviewed by external audits to ensure and verify the degree of compliance with the requirements of each one.

Currently, the Organization has 135 valid certifications associated with quality systems, safety, risks, best agricultural practices, sales security, environmental security, Family Responsible Companies (FRC), ***Equipares*** and healthy organizations. In 2015, 56% of production was in plants that have certification in food safety management system standards, including those approved by the Global Food Safety Initiative (GFSI). [G4-FP5] [SDG 2]

For its part, through the Total Productive Maintenance (TPM) methodology, we continued to work on the approval and integration of our tools of the model, such as Reporting Abnormalities, Cause Analysis, 5S and Single Point Lessons, which have allowed promoting and improving performance in the integrated management systems and contribute to achieving certifications. The TPM culture allowed us to continue strengthening process optimization, promoting safety and health at work, environmental management and food safety at all levels of the Organization.

Noncompliance Related to the Impacts of Products and Services on Health and Safety [G4-PR2] [SDG 16]

	2013	2014	2015
Number of Fines	0	3	**1**
Number of Warnings	0	3	**1**
Number of incidents of non-compliance with voluntary codes concerning the health and safety impacts of Products and Services	6	12	**4**
Total	**6**	**18**	**6**

Data from 2013 y 2014 were restated due to changes in th accounting methodology.

Production process of chocolate covered peanuts, Compañia Nacional de Chocolates.

MANAGING RESPONSIBLY THE VALUE CHAIN

Grupo Nutresa responsibly manages its value chain through the integral development of its employees to improve their productivity and quality of life, also includes social and environmental variables in the supply chain and strengthens the distribution network with sales channels that allow an adequate supply of its products on the market.

A FUTURE
TOGETHER

DEVELOPMENT OF OUR PEOPLE

[G4-DMA]

Collaborators Compañia de Galletas Noel. Medellín, Colombia..

Purpose

To promote the comprehensive development of human capital in order to achieve the availability, commitment and productivity of individuals, ensuring skills and talents in the short, medium and long term to achieve the objectives of the Organization.

Strategy	Progress 2015
Update the leadership model and define the talents of the Grupo Nutresa employee.	The leadership and personnel talent model was introduced in the Grupo Nutresa businesses.
Implement the development and training plan for Nutresa talents.	A total of 372 employees were trained in Nutresa leadership talents and 949 employees in transversal talents. [G4-LA9]
Implement the SuccessFactors talent information system.	The selection, succession and development, and management of objectives (performance, compensation and learning) models were implemented.
Strengthen talent development practices.	99 internships for employees in other roles were executed; 20.306 employees attended external training programs in Colombia and abroad. [G4-LA9]
Update the international mobility policy for Grupo Nutresa employees.	The policy with coverage throughout the strategic region was implemented.
Manage organizational climate and commitment.	Measurements were made and we worked on constructing plans to close gaps.

The indicator [G4-LA9] is linked to the goals [SDG 4] [SDG 5] [SDG 8]

Risks and Opportunities

Since human talent is a key factor of success in the results of the Organization, Grupo Nutresa's practices are aimed at strengthening a culture that encourages the development, growth and achievement of employees' personal and professional projects in sync with the needs of the Company to achieve results.

Identified risks, which permanently become management challenges, are: low capacity to attract and engage the best talent, limited availability of employees with the skills required by the Organization in the medium and long term, low productivity and performance, a labor environment unfavorable for development, the lack of inspirational leadership, and brain drain.

The short– and medium–term work plans that contribute to the 2020 goals minimize these risks based on strengthening the employer brand in all the countries where it operates, identifying innovative recruiting networks to attract the best talent, and in developing a leadership platform that encourages innovation, diversity and the sense of achievement and progress in people. In addition, strengthening warm, close, work environments generates an affective relationship with employees and a high commitment to the performance and sustainability of the Organization.

Future Perspectives

The work strategy to develop people by 2020 will be focused on incorporating and closing gaps in transversal talents and leadership in all Grupo Nutresa employees, with a high emphasis on clients and consumers, innovation and sustainable development. Another focus will be the consolidation of SuccessFactors as a tool for comprehensive talent management that achieves the identification of the level of performance of each employee and their contribution to the Organization's results.

Likewise, an increase in the number of employees in internships in other roles and international companies has been proposed, strengthening their participation in equal opportunities in filling vacancies in all the companies.

In addition, management of the organizational climate will continue, maintaining the standard set by Grupo Nutresa at a level of excellence and the development of leadership as a tool to strengthen the organizational culture.

Remarkable Achievements

The third best company to work in Colombia and the first in the food sector, according to the results of **MERCO Talent 2015.**

The 2015 Gold Award in the category **"Companies that Cross Boundaries,"** awarded by Legis Colombia, which highlights the cultural management model of Productos Alimenticios Doria S.A.S.

Human Resource Management team of the Pastas Business receiving the Gold 2015 Award.

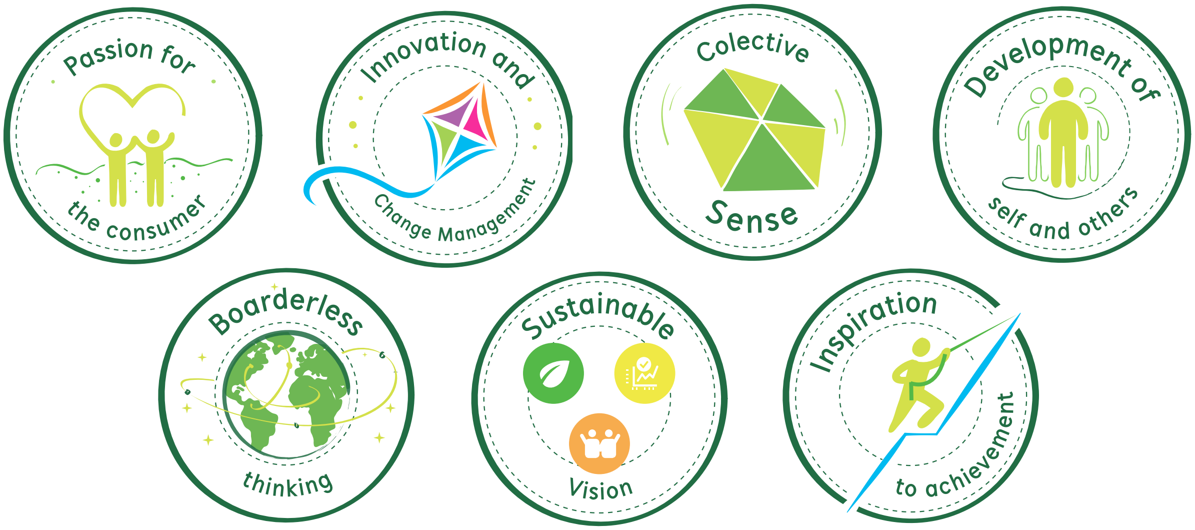
Recognition awarded by CINCEL (the Organizational Behavior Research Center) to Servicios Nutresa, Colcafé, Cordialsa Ecuador, Compañía Nacional de Chocolates Costa Rica and Molinos Santa Marta, **for their excellent management in organizational climate and commitment to employees.**

Sales team for Cold Cuts Business. Ibagué, Colombia.

Progress 2015

During 2015, it was possible to consolidate and strengthen human capital management practices that leveraged the achievement of the Grupo Nutresa objectives. The most significant results were:

- Updating the Grupo Nutresa leadership model and defining seven transversal talents:



The disclosure and communication of talents and behaviors associated with all Grupo Nutresa employees was conducted.

- Strengthening the attendance and virtual training platform in strategic topics for Grupo Nutresa. Altogether, 759 employees from the different companies attended training events on issues such as Digital Marketing, Diversity and Inclusion, Social Business for Productivity, Change Management, Client–Centered Innovation, Intercultural Negotiation, Business Environment, Development and Leadership for Diversity. A total of 581.403 hours were dedicated to training with an investment of COP 8.901 millions. [G4-LA9]

Employee Training [G4-LA9]

		MANAGEMENT		PERSONNEL OF CONFIDENCE		OPERATING PERSONNEL		TOTAL
		Men	Women	Men	Women	Men	Women	
Number of People	Training and Education	101	32	5,222	3,329	8,417	3,205	**20,306**
	Occupational Health and Safety	34	9	3,529	1,961	6,807	2,221	**14,561**
	Higher Education	5	2	123	83	34	3	**250**
Number of Hours	Traning and Education	4,314	1,065	198,616	130,608	206,336	40,466	**581,404**
	Occupational Health and Safety	73	38	36,435	14,630	78,919	12,537	**142,632**
Investment (COP Million)	Training and Education	1,298	370	2,932	1,663	2,083	555	**8,901**
	Occupational Health and Safety	18	16	151	80	477	111	**852**
	Higher Education	36	0	283	144	9	0	**473**

- Implementation of the SuccessFactors talent management technological tool, with modules on: Recruiting and Selection, Succession and Development, Goals Management, Learning and Compensation.

successfactors™
An SAP Company

Regular Performance Evaluations [G4-LA11] [SDG 5] [SDG 8]

PERCENTAGE OF MEN who regularly receive performance evaluations and professional development	64.2%
PERCENTAGE OF WOMEN who regularly receive performance evaluations and professional development	53.4%
PERCENTAGE OF EMPLOYEES who regularly receive performance evaluations and professional development	60. 9%

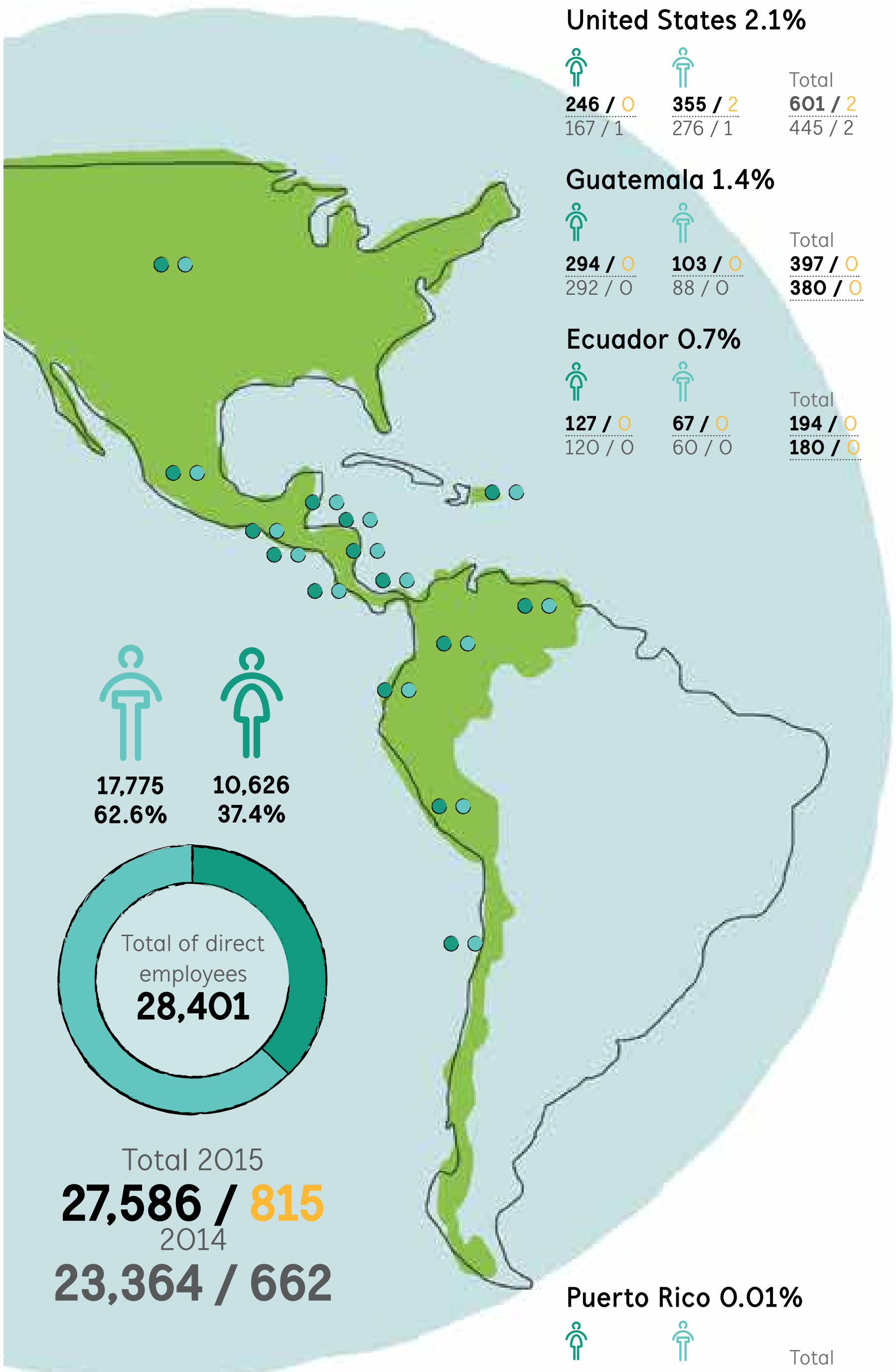
Skills and Training Management Programs [G4-LA10] [SDG 8]

Program Name	Objective
Sales School	Diploma course directed to the sales team of Comercial Pozuelo which brought them strength, security and strategy, also directed to create work plans that will allow them to renew their image and that of the company, with its direct and indirect customers.
Protection factors for healthy living	To motivate people towards a healthy lifestyle free of addictions, improving productivity and quality of life, preventing risks in the family and work environment based on the belief on itself.
Money Laundering and Financing of Terrorism	Management for the prevention and control of risk of Money Laundering and Financing of Terrorism (ML / TF) in order to avoid the risks associated with these issues.
Course in nutrition	Program taken by 79 employees through theSDLabs strategy that leverages the development of the capabilities of Biscuits Business (nutrition).
Prospective	Training in prospective tools that will visualize the future of the businesses
Intercultural negotiation	Understanding the concept of multicultural intelligence, which goes beyond memorizing the habits and traditions, and covers the fundamental dimensions that underlie the culture and give valuable tips to interpret the meaning and effective communication tracks.
Knowledge management as a source of co-creation	Take advantage of the knowledge generated as a contact point that allows new relationships for creating projects and initiatives within the organization.
Business environment, threats to sustainability	Developing analytical capacity of the business world as a frame of sustainability.
Customer service	Understanding the customer as the beginning and end of the actions of the Organisation oriented service, which contribute loyalty and satisfaction.
Customer-focused innovation	Understanding the customer as a source of ideas and important initiatives for the generation and development of new products and services.
Management of Change as an opportunity to itself rethink	Observing the processes of change as an opportunity that enable to the individual and the Organization evaluate, resume and modify positions, given the opportunity to think in a different environment.
Diversity and inclusion	Beyond raising awareness about the importance of the concepts of diversity and inclusion, providing practical tools that make these concepts become reality.
I believe in my working retirement	Guidance and support to personnel of direction close to retirement in the dimensions of being, doing, having and transcend.

- Development of 99 professional internships from the different companies in other roles, businesses and regions.
- Consolidation of the policy to publish vacancies by launching 300 calls that permitted the participation of employees in other positions of greater responsibility.
- Strengthening an inclusive business culture that provides employment opportunities and which, in 2015, incorporated 4.884 direct employees with a growth of 21.5% compared to 2014.

Geographic Distribution of Direct Employees by Country and Gender [G4-10] [SDG 8]

Employees 2015/ Apprentices and/or student interns 2015
Employees 2014/ Apprentices and/or student interns 2014



17,775
62.6%

10,626
37.4%

Total of direct employees
28,401

Total 2015
27,586 / 815
2014
23,364 / 662

United States 2.1%

		Total
246 / 0	**355 /** 2	**601 /** 2
167 / 1	276 / 1	445 / 2

Guatemala 1.4%

		Total
294 / 0	**103 /** 0	**397 /** 0
292 / 0	88 / 0	**380 /** 0

Ecuador 0.7%

		Total
127 / 0	**67 /** 0	**194 /** 0
120 / 0	60 / 0	**180 /** 0

Puerto Rico 0.01%

		Total
0 / 0	**2 /** 0	**2 /** 0
0 / 0	3 / 0	3 / 0

Panama 1,9%

		Total
194 / 0	**352 /** 0	**546 /** 0
186 / 0	332 / 0	**518 /** 0

Mexico 4.4%

		Total
728 / 6	**517 /** 8	**1,245 /** 14
867 / 6	545 / 3	1,421 / 9

El Salvador 0.2%

		Total
15 / 0	**30 /** 0	**45 /** 0
16 / 0	29 / 0	**45 /** 0

Colombia 66.6%

		Total
5,969 / 428	**12,222 /** 304	**18,191 /** 732
3,196 / 328	9,988 / 258	13,770 / 586

Peru 2.3%

		Total
251 / 0	**408 /** 5	**659 /** 5
304 / 1	451 / 2	**758 /** 3

Chile 8.2%

		Total
702 / 16	**1,602 /** 8	**2,304 /** 24
810 / 5	1,709 / 12	2,536 / 17

Nicaragua 0.7%

		Total
115 / 0	**72 /** 0	**187 /** 0
101 / 0	68 / 0	169 / 0

Dominican Republic 0.8%

		Total
51 / 0	**171 /** 0	**222 /** 0
46 / 0	168 / 0	**214 /** 0

Costa Rica 7.8%

		Total
1.261 / 0	**953 /** 0	**2,214 /** 0
1.162 / 0	917 / 0	2,079 / 0

Venezuela 2.8%

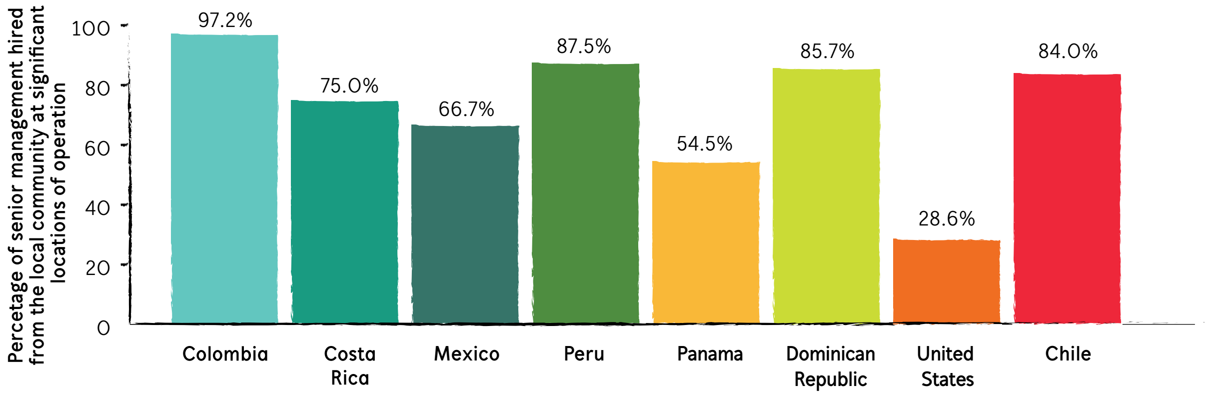
		Total
196 / 25	**572 /** 12	**768 /** 37
211 / 31	587 / 14	843 / 45

Other countries 0,04%

		Total
2 / 0	**9 /** 1	**11 /** 1
0 / 0	3 / 0	3 / 0

- Updating and formalizing the expatriation policy. So far, there are 32 expat employees in the strategic region.

Proportion of senior management hired from the local community [G4-EC6] [SDG 8]



For Grupo Nutresa, it is, and will continue to be, a challenge to maintain the organizational climate and commitment of all the companies at a level of excellence. In 2015, the consolidated results were 84.4%, against a goal of 83.2%.

Ratios of standard entry level wage by gender compared to local minimum wage [G4-EC5] [SDG 1] [SDG 5] [SDG 8]

	MEN	WOMEN
Colombia	1.89	1.35
Costa Rica	1.77	1.21
Mexico	2.61	2.64
Peru	2.08	1.92
Panama	1.22	1.19
Dominican Republic	1.58	2.01
United States	1.48	1.14
Chile	2.32	1.71

Hirings and Rotation Index [G4-LA1] [SDG 8]

	AGE RANGE						Total
	<30		30-50		>50		
	♂	♀	♂	♀	♂	♀	♂♀♂
New employees	3,112	2,806	1,428	1,157	90	48	**8,641**
New employees by employer substition	36	29	68	64	15	5	**217**
Voluntary employees	1,596	1,667	872	843	77	42	**5,097**
Fired employees	900	672	837	463	121	34	**3,027**
Retired employees	0	0	3	0	52	26	**81**
Deceased employees	5	1	3	2	3	0	**14**
Leaving employees by employer substitution	28	16	52	48	12	4	**160**
Total leaving and retired employees	2,501	2,340	1,715	1,308	253	102	**8,219**
Rate of employees turnover	12.2%	12.7%	-2.9%	-2.6%	-6.7%	-7.2%	**1.5%**

Note: new employees does not include new acquisitions.

Collaborators from Compañia de Galletas Noel. Medellín, Colombia.

Progress has been made in accompanying contractors, in order to develop talent management skills in them. In 2015, training activities and the transfer of best practices were carried out with 108 contractors who have the greatest impact on Grupo Nutresa companies. Also, audits on labor standards were conducted to identify risks of noncompliance, combined with support in defining a plan to close gaps to ensure they make the best partners in managing human capital.

The above strategies allowed Grupo Nutresa to occupy **third place as the best employer in Colombia and first place in the food sector.**

QUALITY OF LIFE [G4-DMA]

Collaborators enjoying wellness spaces, Compañia Nacional de Chocolates. Rionegro plant, Colombia.

Purpose

To promote healthy lifestyles and develop a culture of self–care that contributes to employee welfare and balance, positively impacting productivity and commitment to the Organization.

Strategy	Progress 2015
Consolidate the Responsible Family Company *(Empresa Familiarmente Responsible, EFR)* management system.	➩ Plans and programs were implemented to strengthen the six dimensions of the reconciliation of personal, family and work life.
Consolidate the Healthy Organizations management system.	➩ It continued with the promotion of a culture of self-care and the development of healthy lifestyles in the employees.
Define the model to assess the level of maturity of the companies against the model of health and safety management in world–class organizations.	➩ The methodology to diagnose the level of maturity was defined; a plan will be implemented in 2016.
Relocate people with occupational disease in positions that minimize the progression of the disease.	➩ Of 274 people with occupational disease, 73% were relocated to other roles.
Segment employees according to their lifestyles, needs and preferences.	➩ The Endomarketing Model was incorporated to manage wellness activities in two companies.
Encourage the process of self–knowledge and define the purpose and meaning of life in employees.	➩ 1,633 persons attended self–management workshops, such as the Interior Traveler and Live with Sense.
Implement new ways of working.	➩ The telecommuting model was consolidated with 310 employees.
Manage contractors.	➩ Auditing and monitoring indicators on accidents and absenteeism were incorporated into contractor management.

Risks and Opportunities

The food sector is susceptible to the risk of physical and psychosocial impairment of employees, due to the type of activities performed. For Grupo Nutresa, this may affect productivity due to employee absenteeism and accidents. Thus, the Organization manages safe work environments that motivate self–care and ensure the best working conditions, and – in turn – it updates the physical and psychosocial risk map to incorporate best practices. The risk of noncompliance of prevention standards and health and safety management by contractors makes the Organization work actively with third parties to address its extended responsibility.

Risks, such as the difficulty to attract and retain talent, could generate low commitment and sense of belonging to the Organization, a lack of purpose and direction of employees toward work and organizational climate deterioration. To minimize these risks, practices that facilitate reconciliation and balance – such as telecommuting, flexible hours, time coupons, quality of life and wellness practices, all focused on the needs and expectations of employees and the different generations they represent – have been incorporated.

Noel employees enjoying their free time in a rest area.

Future Perspectives

By 2020 all companies will have incorporated management models to reconcile personal, family and work life, implementing the Responsible Family Company (Empresa Familiarmente Responsible, EFR) model. It will have also consolidated safety and health at work prevention and intervention systems, closing gaps identified in the diagnosis of world–class organizations that will be done in 2016.

The Company will continue carrying out the Reincorpórate Project, which intends to relocate employees diagnosed with occupational disease, to reduce the risk of progression of these diseases and maximize the productivity of these people.

Another challenge for 2020 will be to continue the implementation of investment plans for safe working conditions, through the application of a financial model that evaluates the return on investment to reduce illness and accident in high–risk processes.

We will continue the contractor management plan, to ensure the development of capacities in managing occupational safety and health systems, and in the incorporation of best practices.

A decrease in the accident frequency rate was proposed as an objective. This went from 2.62% in 2014 to 2.42% in 2015 to contractors the rate was 5.06% in 2015.

Health and Safety at Work [G4-LA6] [SDG 1] [SDG 8]

	2013	2014	2015	
	Direct employees	Direct employees	Direct employees	Contractors
Accident Rate: Number of accidents per total employees	3.17	2.62	2.42	5.06
LTIFR: Number of injuries with lost time for every one million hours worked	13.39	10.97	10.23	21.35
Number of days lost due to occupational diseases	NA	64	77	36
LDR: Rate of lost days	NA	33.3	30.3	38.3
AR: Absentee	NA	114.5	114.1	391.5
Annual average of workers exposed	18,425	23,326	23,653	16,040
OIFR: Number of occupationa diseases per million hours worked	NA	0.0115	0.0137	0.0095

Remarkable Achievements

Compañía Nacional de Chocolates received the Excellence Prize, awarded by ARL SURA, which highlights best practices in health and safety at work at the national level (Colombia).

Occupational Health team, Compañia Nacional de Chocolates. Rionegro plant, Colombia.

Compañía de Galletas Noel, Servicios Nutresa, Compañía Nacional de Chocolates and Colcafé took first place in the **2015 Responsible Hearts Award,** bestowed by the Colombian Heart Foundation (Fundación Colombiana del Corazón), which highlights the efforts and results in the prevention and intervention of cardiovascular disease.

Winning companies receiving the 2015 Responsible Hearts Award.

Colcafé received the RE-INTEGRO Prize, awarded by ARL SURA, which highlights **the proper management of the return-to-work process of employees who have been incapacitated by health problems.**

Progress 2015

During 2015, the plan aimed at promoting quality of life at work, balance and wellness was supported in management systems that contributed method, indicators, standards and assurance of the impact of actions to satisfy employees. Several Grupo Nutresa companies consolidated Responsible Family Company (EFR) practices in their management systems, developing capacities in the intervention of this six dimensions to reconcile personal, family and work life: quality employment, family support, professional development, equal opportunities, work–space flexibility and leadership. For each of these dimensions, the companies created plans, programs and measures, and designed communication strategies to invite employees to use these benefits.

The results of the MERCO Talent Survey 2015 showed the impact of this strategy on the satisfaction and perception of the Company's human capital and other related groups, placing Grupo Nutresa as the third best employer in Colombia and first in the food sector. The highest rated dimension in this measurement refers to the possibilities that the Organization provides people to reconcile their family, personal and work life. In this regard, the employer brand continues to strengthen and give the Organization the possibility to attract and retain the best human capital.

As for the promotion of a culture of self–care and the development of healthy lifestyles, the companies that consolidated the Healthy Organizations management system in 2015 improved indicators on cardiovascular risk, waist circumference, weight, increase in physical activity and a decrease of tobacco consumption by employees, continuing the challenge of improving habits and preventing illnesses or fatalities related to cardiovascular causes.

Bambinitos Party with the collaborators' children. Pastas Doria.

Employees in Health Brigade, Compañia Nacional de Chocolates. Rionegro plant, Colombia.

For the management of employee safety and health, Primary Committees (Comités Paritarios) were formed, with members elected democratically with the contribution of union organizations, through an election system that ensures participation and transparency. [G4-LA8] [SDG 8]

The work of these committees is aimed at health promotion at all levels of the Company, seeking agreements with managers and program managers based on the achievement of goals and objectives. In addition, they ensure regular inspection of workplaces, report on the existence of risk factors and support the analysis of causes of occupational accidents and illnesses, promoting corrective actions. [G4-SO1].

The management of occupational disease was another of the challenges in 2015. In this regard, very significant progress was made in identifying and relocating people diagnosed with occupational diseases and who had some periods of disability. The Reincorpórate Project, for example, facilitated the relocation of 200 employees in other roles, which positively impacted productivity and the sense of dignity and importance of these people. [G4-LA7] [SDG 1] [SDG 8]

During 2015, Grupo Nutresa also advanced in other work arrangements, such as flextime and telecommuting, aspects that have contributed to a better quality of life and balance of more than 331 employees. The aim is to increase this figure each year; in the case of teleworkers, this would represent an increase of 10% by 2020, in positions favorable for this kind of work.

RESPONSIBLE SOURCING [G4-DMA]


Arhuaca Community, Sierra Nevada of Santa Marta, Colombia.

Purpose

To ensure business continuity, capitalizing on opportunities and managing the effects, risks and impacts generated outside the Company's direct area of control, by incorporating social and environmental variables in the management of the supply chain.

Strategy	Progress 2015
Improve and expand coverage of the strategic sourcing model.	➩ Regional negotiations were conducted in Costa Rica, Mexico, the Dominican Republic, Peru, Chile and Colombia for a total of 300 initiatives. ➩ A total of 201 categories were addressed through the methodology of strategic sourcing, achieving savings of COP 6,500 million in Chile, COP 3,000 million in Central America and COP 44,100 million in Colombia, leveraged by the Purchasing Office in China by 8.7%.
Close gaps in sustainable sourcing.	➩ Through external consulting, social and environmental risks are identified in the supply chain for Pozuelo and Chocolates Costa Rica. ➩ Training and knowledge transfer was conducted in the negotiation and supplier management teams in six countries. ➩ An agreement was signed with the World Wildlife Fund (WWF) to administer and treat sustainability risks of the principal raw materials.
Incorporate ethical and third party audits on suppliers.	➩ Eight work, and six third party audits on suppliers were conducted, which included work, environmental and social components.
Develop organizational capabilities for farmers.	➩ 3.000 farmers from 34 organizations in five departments in Colombia were trained through a model to strengthen organizational development and information and communication technologies.
Manage public–private partnerships for the social and business strengthening of suppliers.	➩ 13 public–private alliances were defined with local entities in five municipalities in Colombia.

Risks and Opportunities

Grupo Nutresa continues to manage the risks identified for all its purchasing categories, such as breaches in practices in quality, safety and sustainability; the high volatility in the prices of direct supplies; the shortage of supplies generated by climate change; and the migration of farmers to the cities.

To manage them, we have introduced sustainability criteria during the selection and hiring stages for suppliers of goods and services, and we have published and implemented the Supplier Code of Conduct, which is aligned with the 10 Principles of the United Nations Global Compact.

The Company also has policies and manuals that provide a framework of action and direction for its own operations and those of third parties, such as policies on Supplier Selection, Hedging, Human Rights, Genetically Modified Organisms (GMOs) and a Manual for Contractors, among others.

Risks associated with product safety are managed and evaluated by the Purchasing, Quality and Research and Development areas, to ensure compliance with the specifications required for supplies and those of the integrated management systems.

Finally, through Fundación Nutresa we manage strategies to mitigate the migration of young people to cities through actions to develop capabilities and generational change in supply chains, which strengthen them as rural entrepreneurs with better economic opportunities and quality of life.

Future Perspectives

Grupo Nutresa has been conducting exercises in foresight for sourcing processes, mapping the challenges and identifying trends, to manage future risks to 2030 in a timely manner. In the medium and long term, sourcing processes will be intensive in the use of multi–dimensional information and traceability throughout the supply chain, as well as technologies that support businesses processes.

Achieving efficient non–contact relationships with business partners is a challenge for Grupo Nutresa, which is managed by implementing connectivity services that permit having a closer relationship with suppliers and making processes more efficient throughout the entire chain.

Another challenge is to reduce the environmental and social risks around the principal raw materials used by the businesses. Therefore, together with the World Wildlife Fund (WWF), we are identifying actions in the different purchasing categories and structuring and implementing strategies, mechanisms and measurement systems under a vision of sustainable sourcing.

Moreover, through Fundación Nutresa we continue to power the organizational and community capacities of farmers and we project that we will positively impact 73 associations of small producers by 2020. Likewise, we seek to strengthen the inclusive business model with a methodology of our own development, to give added value to the social and commercial management of the business, through which actions to eradicate poverty, mitigate identified risks and increase the socio–economic status of communities with benefits for the Company and its stakeholders are increased.

Remarkable Achievements

The construction of a micro–processing plant for coffee cherries in Ciudad Bolívar, in the Department of Antioquia, is another success story, after a contribution of COP 1,026 million by Industria Colombiana de Café (Colcafé). This project is expected to achieve a savings of 25 million liters of water per year, the proper disposal of the water used in the process to the watersheds in the area, and composting coffee pulp for its subsequent use as an organic fertilizer by coffee growers.

Start of construction of the Cherry Coffee Benefit Center in the municipality of Ciudad Bolivar, Colombia.

Grupo
nutresa

Proveedor ejemplar

As a success story, **noteworthy is the first Exemplary Supplier event,** which recognized those suppliers from the different goods and service categories, large companies and SMEs, who stand out for their contribution to achieve Grupo Nutresa's objectives by implementing sustainability and innovation practices, and for their effort to be better each day in changing environments. **A total of 17 suppliers from more than 1,000 suppliers invited to the program were recognized.**

Winners of 2014 Exemplary Supplier Grupo Nutresa. From left to right: Sol Beatriz Arango M., Vicepresident of Sustainable Development Grupo Nutresa; Miguel Krausz H., Manager at Grasco Ltda., Martha Tobar O., Director of the International Division of Industrial Grasco; Germán Zapata H., Negotiation Manager of Compras Servicios Nutresa; Carlos Ignacio Gallego P., President of Grupo Nutresa; Marcela Gutierrez T., Sales Manager MANE Colombia; Alejandro Henao P., General Manager of MANE Colombia.

The complete list of winners is available at
http://www.serviciosnutresa.com/comunicado-proveedor-ejemplar/

Receiving the 2015 *Emprender paz* Award.

Grupo Nutresa was recognized with the *Emprender Paz* 2015 award, for its social and productive organic cocoa initiative with the Arhuaco communities in the Fundación River Basin, in the Department of Magdalena. Since its inception in 2014, this idea – supported by Compañía Nacional de Chocolates and Fundación Nutresa – has positively impacted 139 families associated with the Kankawarwa cocoa associative project. The communities have participated in a process to transfer knowledge and organizational strengthening, through the action scheme of strategic allies, to ensure continuity of the agribusiness of the Indigenous communities.

Progress 2015

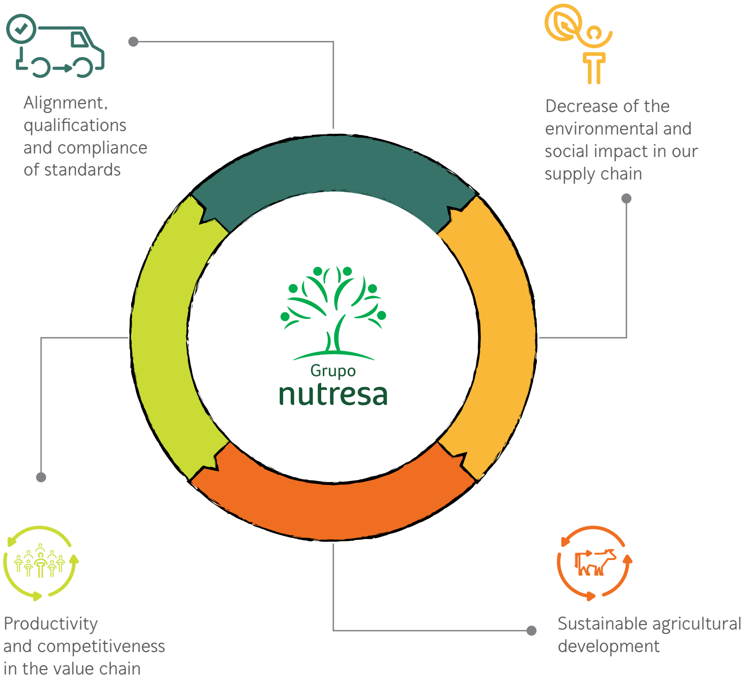
Cocoa farmer from San Vicente de Chucurí. Colombia.

RESPONSIBLE SOURCING

For Grupo Nutresa, the management and development of its suppliers are part of its strategic priorities; for this reason, it has defined and identified the risks in sustainability, currently managed through programs to promote sustainable practices, the application of policies and the development of capabilities in different internal and external instances of the Organization.

In this sense, local suppliers that comply with the Code of Conduct, the quality and price requirements, and the sourcing conditions established by the different companies are privileged

GRUPO NUTRESA RESPONSIBLE SOURCING MODEL



ALIGNMENT, QUALIFICATION AND COMPLIANCE OF STANDARDS

In addition to their qualification to ensure high quality products and services that are in accordance with market requirements, alignment with business partners regarding policies, standards and requirements is part of the responsible sourcing model.

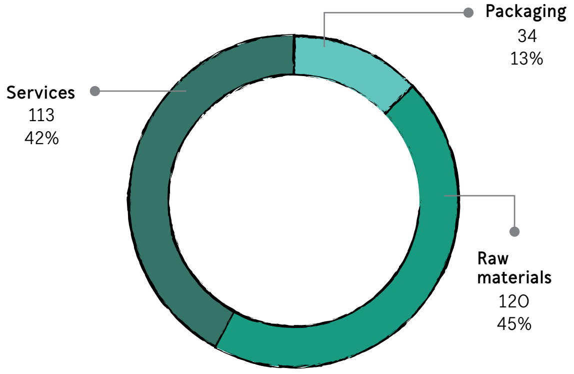
Annually, supplier audits are conducted that include the different quality, environmental, occupational safety and health, commercial security, safety and sustainability management systems, which seek to identify aspects for improvement in the management of production processes, ensure labor and human rights practices, and develop skills through training spaces. Support and advice on management and compliance of requirements associated with the plants and their products are provided; this accompaniment ensures not only legal obligations but also standards for product quality and safety.

Increase in Competencies

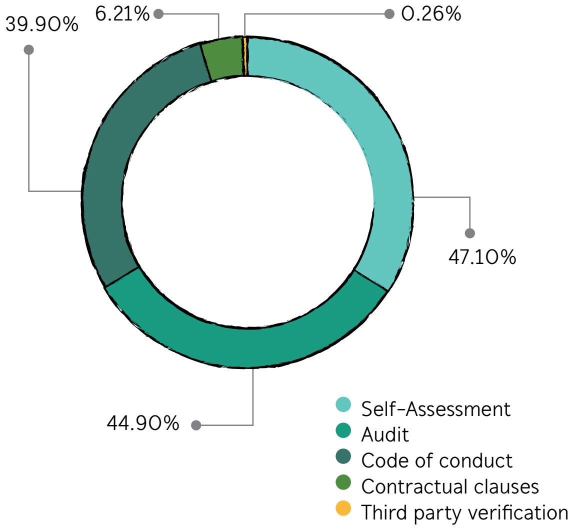
During 2015, 750 suppliers of raw materials, packaging materials and service providers were trained on issues such as sustainable development, occupational safety and health, legal updating, contractor manuals, management systems, money laundering and the financing of terrorism, human management, supplier portals and the self development. A total of 9,510 hours were invested and 4,607 people participated, which generated a positive impact on the Company's social capital by creating skills in suppliers.

Altogether, 267 suppliers in the categories of direct and indirect materials were assessed within the supplier evaluation and monitoring programs, which has generated more than 1,076 improvement actions that have contributed to closing gaps and increasing skills in environmental, logistics, quality and safety aspects in suppliers and their production processes.

Number and percentage of suppliers evaluated



Verifying mechanisms of compliance of supply policy [G4-FP1]



Percentage of Volume Purchased from Suppliers Who Comply with the Company's Purchasing Policy

The Competitive Value Networks Project

This multi–sector initiative is designed for companies to optimize their operations under a common language and through the use of collaborative tools and platforms. Together with the companies Logyca and GS1 in Colombia, Grupo Nutresa participates in this program and has made an impact on 27 suppliers in the promotion and implementation of international marking standards that ensure the traceability and efficiencies throughout the chain. The Grupo Nutresa companies that actively participate in the program are Servicios Nutresa, Compañía Nacional de Chocolates, Pastas Doria, Meals de Colombia, Colcafé, Compañía de Galletas Noel, Alimentos Cárnicos and Zenú.

Innovation Managers

In association with Ruta N, the Center for Innovation and Business in Medellín, suppliers of goods and services were invited to participate in the summons for innovation managers, in the framework of the signing of the Great Pact for Innovation, aimed at developing competencies in companies to implement an innovation management system to enable them to increase long–term competitiveness and strengthen their intellectual capital.

The Value Network Encounter

During 2015 Compañía de Galletas Noel summoned more than 39 suppliers to the XXIV Annual Value Network Encounter, where clients, suppliers, unions and other groups related to the value chain of the business shared the challenges and trends in sourcing, the economic and political context, and best practices in sustainability and leadership

Yariguíes Farm, located in the municipalities of Barrancabermeja and San Vicente de Chuchrí, Santander. Colombia.

Improved Processes

The external assembly and/or alternative forms of product negotiation with third parties was updated and improved, to ensure and standardize compliance with quality, commercial and socio–environmental requirements by suppliers and to manage the risks present in the chain associated with this mode of supply.

Connectivity with Suppliers

Seven new connectivity services were activated and improvements were made in five services on the supplier portal (www.gruponutresaenlinea.com). The improvements are related to updating data; online communication of purchase orders; inventories; self–management in communications to access the portal; request for and assignment of transport service for finished products with companies providing this service, and eLearning modules, among others. All of the above are aimed at improving the collaborative management of operations and their efficiency, interaction with suppliers of goods and services in favor of transparency, business continuity and compliance of the requirements associated with sustainability, money laundering and the financing of terrorism.

Meanwhile, the Biscuit Business began eBilling processes with transport suppliers; for 2016, this process will be extended to raw material and packaging material suppliers, to improve the logistics operation and reduce the environmental impacts.

REDUCTION OF THE ENVIRONMENTAL AND SOCIAL IMPACT IN THE SUPPLY CHAIN

Another part of Grupo Nutresa's responsible sourcing model is to ensure the decrease of environmental and social impacts in the different categories of purchases of goods and services.

Grupo Nutresa examines its suppliers based on the social, environmental and economic risks for each of the categories of goods and services, to focus on and develop activities that positively impact its supply chain. The analysis was performed applying the methodology of Grupo Nutresa's holistic risk management process.

In 2015 risks were identified to which the categories of purchases of materials and services for the businesses in Costa Rica were exposed, which extends and complements the exercise conducted in Colombia in 2014.

Percentage of New Suppliers that Were Examined in Terms of Sustainability Criteria. [G4-EN32] [G4-LA14] [SDG 5] [SDG 8] [SDG 16] [G4-SO9] [G4-HR10]

Based on:	Criteria Environmental	Criteria Labor Practices	Criteria Human Rights	Criteria for impacts on society
Percentage of new suppliers that were examined	23.8%	6.1%	6.1%	18.9%

Criteria Evaluated:
Environmental: Impact on flora and fauna, use of hazardous substances, increased waste generation, increased consumption of natural resources, climate variability, negative reaction of stakeholders regarding the use of GMOs, increased air emissions, animal abuse. **Labor Practices:** Unfair wages, non–conducive work environment. **Human Rights:** Child labor, violation of the right to freedom of association and collective bargaining. **Impacts on Society:** Impacts on the health of the final consumer, impact on neighboring communities.

New Suppliers with Significant, Real and Potential Negative Impacts in the Supply Chain and Measures regarding the Matter. [G4-EN33] [G4-LA15] [SDG 5] [SDG 8] [SDG 16] [G4-SO10] [G4-HR11]

In function of criteria:	Environmental	Labor Practices	Human Rights	Impacts on Society
Number of suppliers whose impact has been evaluated	341	98	131	116
Number of suppliers with significant real negative impacts	85	7	2	15
Suppliers identified as having significant actual and potential negative impacts with which improvements were agreed upon as a result of assessment	72 85%	6 86%	1 50%	15 100%
Suppliers identified as having significant actual and potential negative impacts with which relationships were terminated as a result of assessment	3 1%	0 0%	0 0%	0 0%

Criteria Evaluated:
Environmental: Impact on flora and fauna, use of hazardous substances, increased waste generation, increased consumption of natural resources, climate variability, negative reaction of stakeholders as to the use of GMOs, increased air emissions, animal abuse. **Labor Practices:** Application of legal rules for hiring staff, non–conducive work environment. **Human Rights:** Violation of the right to freedom of association and collective bargaining. **Impacts on Society:** Impacts on the health of the final consumer.

In addition to regular audits conducted on site with suppliers, and in which sustainability variables have been included, during 2015 eight labor audits and six ethical third party audits on suppliers were conducted under Intertek's Workplace Conditions Assessment (WCA). Its goal is to have broader knowledge on the compliance of sustainability criteria for suppliers and the categories classified as high environmental or social risk.

Impacts related to transport, packaging reduction and optimizing are developed in the Chapters "Responsible Sales" and "Post–Consumption Packaging."

SUSTAINABLE AGRICULTURAL DEVELOPMENT

Grupo Nutresa seeks to manage and develop agricultural chains to ensure the growth of suppliers and communities in the area of influence of the productive areas, while managing the risks associated with sustainability

Yariguíes Farm, located in the municipalities of Barrancabermeja and San Vicente de Chucurí, Santander. Colombia.

Promoting Coffee

With the commercialization of products certified under the Fairtrade label, Colcafé continues to generate benefits to coffee growing communities that produce green coffee certified under this label, which gives consumers certainty about the ethical values of the product and supports the sustainable development of the producer organizations.

Through alliances and negotiations with international clients, from the inception of the program the Business has transferred resources in excess of COP 33,000 million to communities. The social premium transferred is mainly used in initiatives aimed at productivity and crop quality, environmental projects, social services and education and other projects covered by this certification.

In the last five years, not only has the value of the premiums transferred increased, but also the number of coffee growers benefitted, located in eight departments in Colombia.

Fairtrade Coffee

	2011	2012	2013	2014	2015
Communities Benefitted	20	20	22	34	**34**
Bonuses Paid plus Premiums (COP millions)	2,194	3,808	4,469	5,656	**7,338**

Promoting Cocoa

The Chocolate Business works for the sustainability of the cocoa supply chain, investing more than COP 4,050 million in promoting cocoa culture in Colombia, strengthening the capacities of farmers, researching and working with local authorities, banks, research centers, universities and government institutions, to benefit cocoa producers.

Purchases made from more than 1,350 suppliers, including farmers, associations, corporations, cooperatives and individuals, corresponded to a total of 22,599 tons of cocoa in 2015 for COP 162,600 million.

Compañía Nacional de Chocolates continues to promote special certifications in markets and online, and purchased 105 tons of cocoa with the Fairtrade certification, which generated quality bonuses of COP 52 million for cocoa farmers, thus contributing to the growth of their financial capital. Additionally, it purchased 73.4 tons of organic cocoa, paying a premium of COP 52.6 million and acquired 79.4 tons of origin cocoa, paying a special premium of COP 42.2 million.

The Principal Projects during 2015 were:

- **Inclusive Businesses:** The Chocolate Business supported cocoa grower projects totaling 21,294 hectares and benefitted nearly 12,206 families in 22 departments and 119 municipalities in Colombia.
- **Innovation and Development:** In the Innovation, Research and Technological Transfer Plan, 126 training sessions and technical visits were conducted with the assistance of 2,192 technicians and farmers.
- **Mass Cocoa Grower Disclosures:** Since 2012, Compañía Nacional de Chocolates has developed a communication strategy, based on text messages, which seeks to educate farmers in friendly practices in cocoa farming. To date, 4,349 farmers have benefitted.
- **Cocoa for the Future:** This is a new business model that promotes the cultivation of cocoa ensuring its production and future availability, with a positive socio–economic impact on growers. In 2015, there were 991 hectares with 55 farmers in nine municipalities. Investment reached COP 4,754 million, totaling COP 26,570 million.
- **Experimental Farm:** The Yariguíes Farm, located in the municipalities of Barrancabermeja San Vicente de Chucurí, in Colombia, generated 80 direct jobs; it received 444 visitors for training, produced 1,113,394 pattern cocoa seedlings for its projects and those of third parties, grafts, seeds and 13,190 timber species, and received the renewal of its Certification in Best Agricultural Practices (BAPs) from ICONTEC, a Forestry Compensation (carbon sequestration) program, the Instituto Colombiano Agropecuario (ICA) Clonal Orchard program, recognition as a producer and distributor of cocoa vegetative propagation material, and registration as an ICA Breeding Research Unit.
- **Cocoa and Cashew Grower Encounters:** With the support of Compañía Nacional de Chocolates and Fundación Nutresa, it was possible to conduct training in leadership, networking and teamwork for more than 150 farmers in 18 producing associations in five departments in Colombia. The I Encounter of Cocoa Growers from the northern coast of Colombia, which brought together more than 55 farmers who – in addition to talking about leadership, networking and marketing of cocoa – met other farmers and learned their ways to maintain crops. Likewise, the IV Northern Chocó Cocoa Grower Encounter was held, managed by the Montebravo second–level association. Finally, the cashew producers' community of Chinú held the I Encounter of Cashew Growers in this region, where 120 families came together in the Pisabonito hamlet and strengthened the sense of ownership for their crops.

President of the World Bank visiting the production alliance between Compañia Nacional de Chocolates with cocoa farmers from Perijá.

Animal Welfare

Grupo Nutresa's swine production systems are designed to ensure animal welfare and comfort. Therefore, of the 86 farms that supply the Cold Cut Business, 90.5% are certified in best livestock and safety practices. Also, to give continuity to the implementation of best environmental practices, a shop was conditioned and two collection centers for solid waste were built to impact the environmental management on farms with an investment of COP 28.8 million. Grupo Nutresa did not receive any sanctions or fines for noncompliance of laws related to animal transport, management and processing practices. [G4-FP13]

Animals raised and processed [G4-FP9] [SDG 2] [SDG 15]

Animal/Breed*	2013	2014	2015
Pigs / Landrace, Large White, Duroc, F1, F2, Muscular, PIC, Commercial	148,329	155,063	161,371

*100%pigs, regardless of their breed, receive the same treatment on the farms.

Porcinorte Farm, Angostura. Colombia.

Policies and Practices Related to Physical Alterations and the Use of Anesthesia [G4-FP10]

- Notches in the ear of piglets at birth as part of their individual identification in the core level of the population (that is, 6% of the total births).
- Tail cutting in 100% of the piglets at birth with tail cutter, cauterization and disinfection.
- Ear piercing in 100% of the population to place the swine-pest tag (chapeta) in their third week of life.
- Numeric identification on the skin of 100% of animals with a tattoo hammer.
- Use of anesthesia and analgesia in surgeries for hernias or fights between animals.

Animals raised and or processed per housingtype [G4-FP11]

Some 95.7% is pens and 4.3% is cages. Pens are differentiated and have homogenized populations by age and size to match development conditions, protect the health of the pigs and reduce stress.

Policies and Practices Related to Treatments with Antibiotics, Anti-Inflammatories, Hormones and Growth Promotion. [G4-FP12] [SDG 2]

- **Antibiotics: Penicillin,** Tetracycline, Sulfa, Enrofloxacin, Amoxicillin, Streptomycin, Florfenicol, Tolutromicine.
- **Anti-Inflammatories:** Ketoprofen, Meloxicam.
- **Hormones:** Oxytocin, Prostaglandin; chorionic Gonadotropin
- Growth Promoters: Ractopamin.

Training for wheat suppliers in Chile with the support of the Agricultural Research Institute (INIA).

Wheat

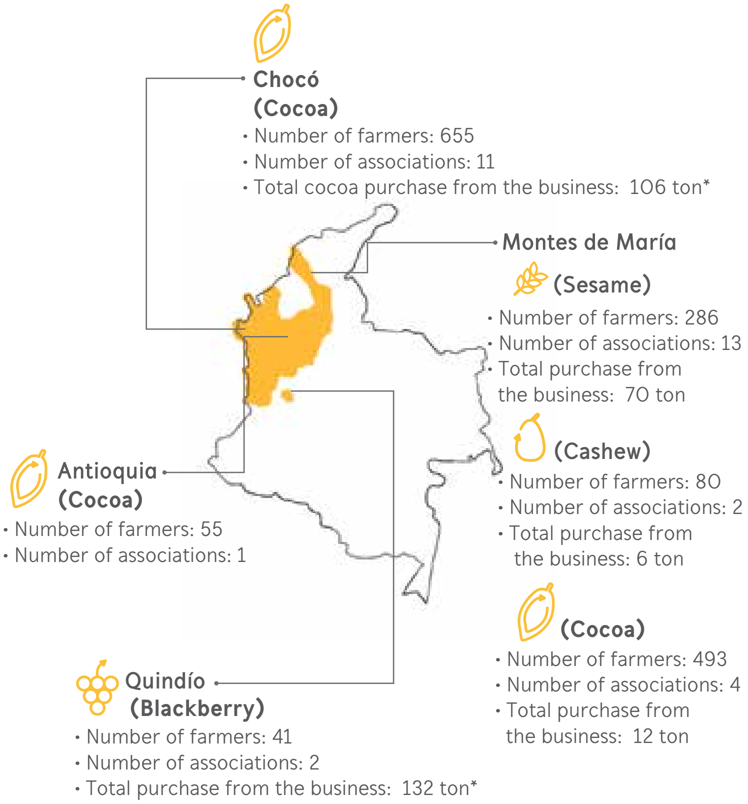
During 2015 five knowledge transfer sessions were held with Durum Wheat suppliers and brokers in Chile, with the support of the Agricultural Research Institute (Instituto de Investigaciones Agropecuarias, INIA), in which some 180 suppliers participated. In these sessions topics, such as cereal plant pathology, disease prevention, crop safety, application of fungicides, commitments to sustainability, improving wheat and strategic challenges, among others, were discussed. Also, direct accompaniments with wheat suppliers were carried out in crop areas.

Management of Inclusive Businesses, Income Generation and Entrepreneurship

The production of healthy, high quality food is not only consolidated in the production plants of the businesses; it originates from the purchase of agricultural goods that, in addition to meeting appropriate standards of quality required by the Company, are grown by farmers who are part of processes of transformation and development of organizational, personal and family skills.

Grupo Nutresa participates in sustainable productive projects that contribute to the social development of communities, promote dignified standards of living and develop socio–entrepreneurial skills in farmer associations, building social and financial capital for them. Empowering and qualifying farmers has strengthened the social fabric of communities, increased income and generated more opportunities for growth and sustainability in the field.

During 2015, 3,000 farmers participated in training processes in democratic and participatory management; financial management; managerial, administrative and management capacity; human rights; and healthy habits.



Chocó (Cocoa)
- Number of farmers: 655
- Number of associations: 11
- Total cocoa purchase from the business: 106 ton*

Montes de María

(Sesame)
- Number of farmers: 286
- Number of associations: 13
- Total purchase from the business: 70 ton

(Cashew)
- Number of farmers: 80
- Number of associations: 2
- Total purchase from the business: 6 ton

(Cocoa)
- Number of farmers: 493
- Number of associations: 4
- Total purchase from the business: 12 ton

Antioquia (Cocoa)
- Number of farmers: 55
- Number of associations: 1

Quindío (Blackberry)
- Number of farmers: 41
- Number of associations: 2
- Total purchase from the business: 132 ton*

Due to the severe drought, the production of cocoa Choco decreased compared to 2014.

Fruits

Noteworthy is the work by Ascompartir and Asofrupa, associations that gather 41 blackberry producing families in the Department of Quindío, where they were strengthened technically and organizationally, overcoming adverse weather conditions.

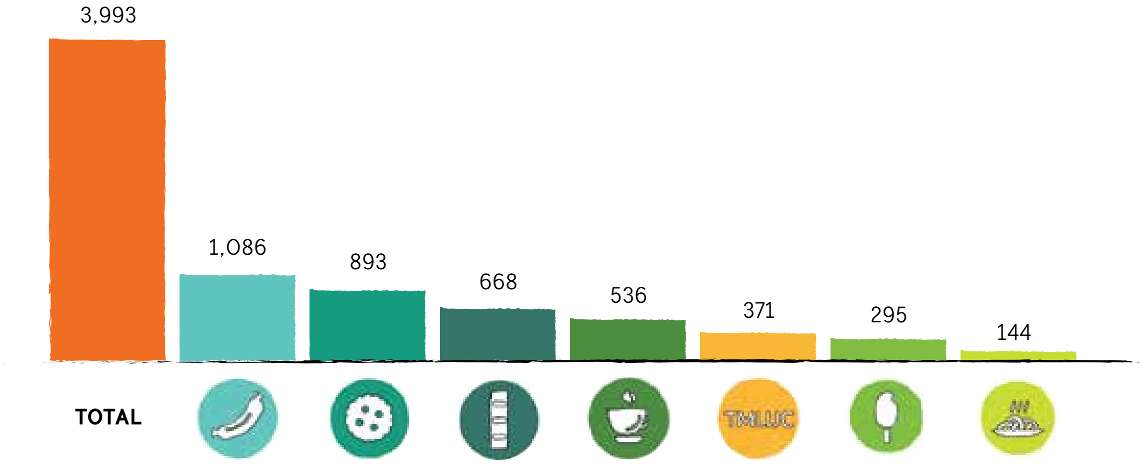
PRODUCTIVITY AND COMPETITIVENESS IN THE VALUE CHAIN

The strategic sourcing initiative focuses on the negotiation process through the redesign or new sources of supply to enhance the competitiveness of all the categories of materials and services. In 2015, the project was emphatically addressed in Chile and Central America, where cost reductions were achieved through 78 savings initiatives and benefits in profitability of COP 9,600 million.

Purchases 2015

Annually, Grupo Nutresa purchases COP 3.99 trillion in goods, with a participation primarily represented by commodities and raw materials.

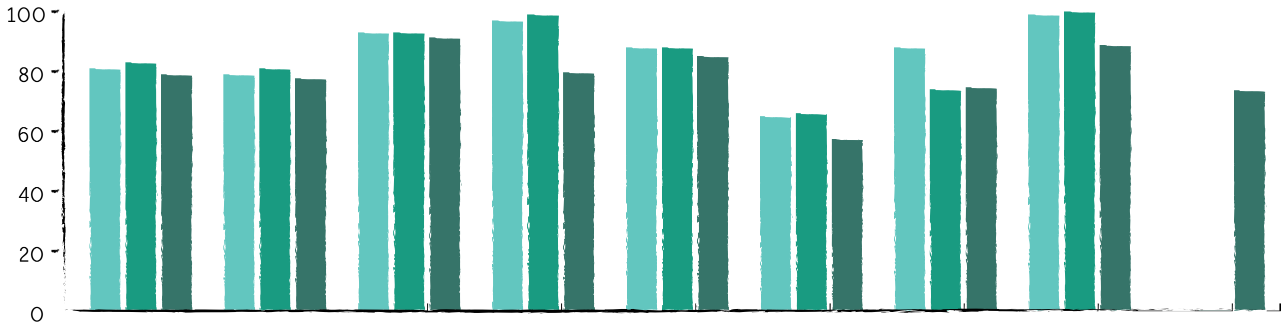
Annualized Purchase by business (COP Billions)



This includes Tresmontes Lucchetti direct raw material purchases. Expenditure values corresponding to companies in SAP

Grupo Nutresa Local Purchases 2015 **[G4-EC9]**

Percentage share of local procurement in relation to total

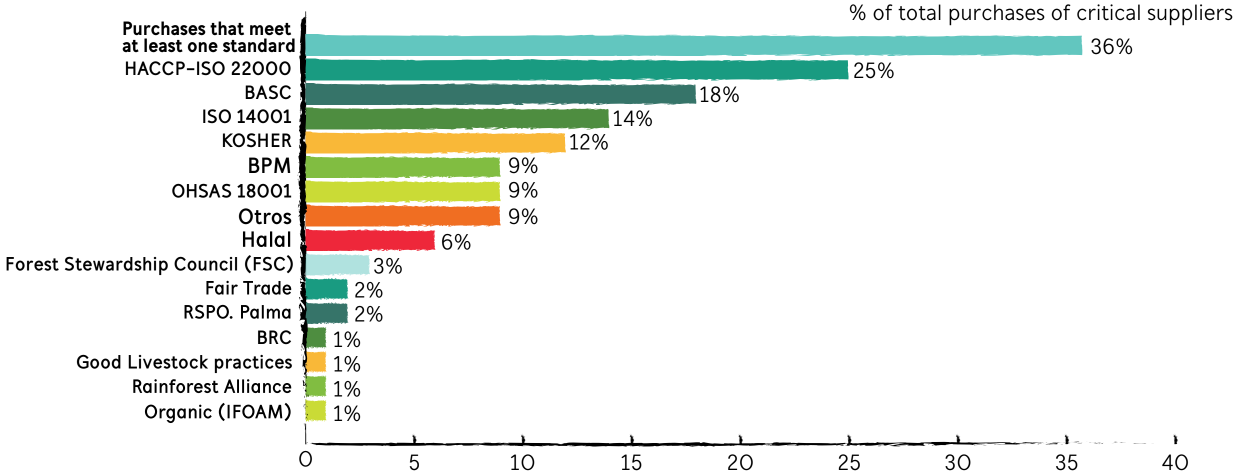


	Grupo Nutresa	Colombia	Costa Rica	Mexico	Peru	Panama	Dom. Republic	USA	Chile
● **2013**	81.0%	79.0%	93.0%	97.0%	88.0%	65.0%	88.0%	99.0%	0.0%
● **2014**	83.0%	81.0%	93.0%	99.0%	88.0%	66.0%	74.0%	100.0%	0.0%
● **2015**	79.0%	77.7%	91.3%	80.8%	85.1%	57.5%	74.7%	88.8%	73.7%

Includes: Commodities, Raw Materials, Packaging Materials, Maintenance, Repair and Operations (MRO), and Services (estimated values)
Note: Local suppliers are those located within each country where there are significant operations (processing operations).

Purchases According to Internationally Recognized Responsible Production Standards [G4-FP2] [SDG 2] [SDG 12] [SDG 14] [SDG 15]

Purchases certified under international standards help reduce the impact on sustainability in the supply chain thanks to the detailed requirements of these rules, aimed at specific products and places where they are produced.

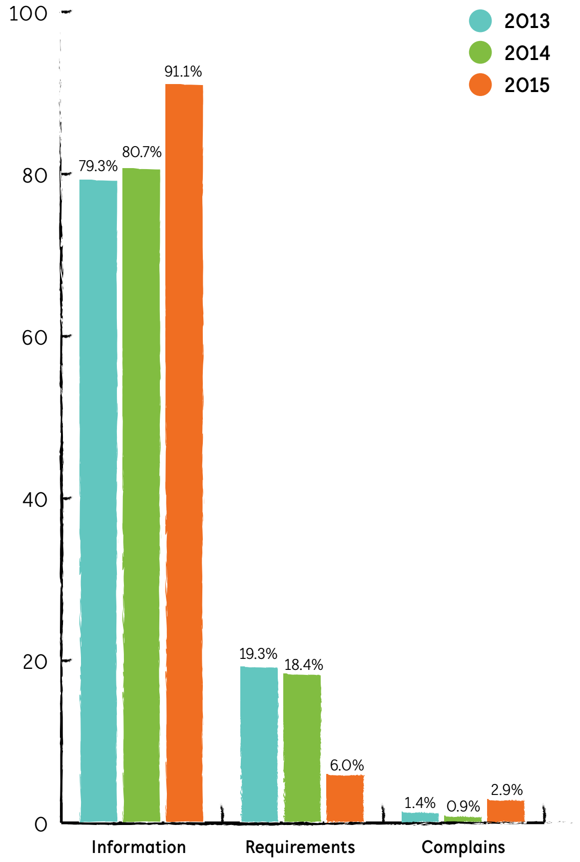


Support and Attention to Supplier

During 2015, we dealt with 39,747 cases from suppliers through the Customer Service Center, of which 6,897 were associated with support in logistics, financial and quality services in the Online Business Portal, facilitating the operation and efficiency in activities in supplier sourcing and those of the Grupo Nutresa companies.

Project for strengthening the social and small blackberry farmers

Comparison of Cases on the Online Business Portal 2013–2015



*Colombian Data

RESPONSIBLE SALES [G4-DMA]

Widespread Distribution Channel (DAM). Tresmontes Lucchetti, Chile.

Purpose

Achieve our customers' satisfaction and loyalty, offering best purchase experiences with differentiated and sustainable value proposals that exceed their expectations, supported by a customer-centric organization model.

The Organization strongly believes that its actions contribute to community development through improving commercial relationships and supporting the most needy people segments.

Strategy	Progress 2015
Perform the annual measurement of customer satisfaction and loyalty.	Satisfaction indicates the performance and processes efficiency compared to customer expectations. Group Nutresa achieved a rating of 88.5 in Colombia and 89.7 in international operations. Loyalty shows the emotional connection that achieves loyal customers. The 2015 survey rates 70.4 in Colombia and 73.3 in international operations.
Design and implement customer loyalty, relational and development programs to strengthen their business capabilities.	Progress was made in developing a loyalty strategy, supported in specific programs for commercial–network customers according to their segment. Between independent store and convenience store keepers, 950 customers received advice in order to improve their physical distribution and business model. Likewise co–creation models were generated, identifying competitive advantages of customers, especially for their shoppers. Customer schools were strengthened, building capabilities in 100 commercial agents and service providers related to best business practices and training their sales and operation teams.
Establish effective communication channels with customers.	Progress was made integrating different customer and consumer touch points, as well as developing and improving mobile applications for business networks that allowed channeling, managing and monitoring relationships with customers.
Consolidate inclusive, sustainable business models that contribute to customer development.	Progress was made consolidating a network of Entrepreneur Mothers, which generates value and proximity through a proposal of a differentiated portfolio of brands, specialized services and access to credit, centered on entrepreneurship and the comprehensive development of the human being.

Risks and Opportunities

Strategy orientation toward a customer–centric organization model allowed Grupo Nutresa to strengthen its value relationship, building long–term sustainable relations. For this, it has value proposals, models and processes to reach the market, adapted to the needs of each segment and geography. The differentiation of these proposals includes building strategies with customers for their development, that ensures competitiveness and development for them and the Organization.

Likewise, specialized networks that cater directly to consumers, allows Grupo Nutresa to receive permanent feedback on brands, trends, habits, new products and competition, thereby feeding the knowledge of consumers and the market.

At international level, given the expansion and interest to ensure standards of customer service at all its operations, a process began to identify gaps and standardize best consumer and customer services practices, to a higher standard that this issue currently has in Colombia.

Increasing Customer-consumer demands and legal regulations are permanently monitored and adjusted with processes and means of contact to exceed expectations.

Another risk that is evident is environmental impact related to marketing and product transportation, which represents a substantial part of Grupo Nutresa's ecological footprint. The Organization gives special importance to collaborative and complementary work with stakeholders to address these issues, ranging from global warming, emissions and noise at local levels, to generation of waste and dumping.

Future Perspectives

In short- and mid-term, we will continue updating value propositions for customers by segment and geography. Permanent customer relationships' monitoring and measuring both customer satisfaction and loyalty will identify gaps and generate continuous improvement.

We will continue to develop value proposals for each segment of customers and enhance sales networks and channels, which will ensure that Grupo Nutresa has a superior ability to introduce the portfolio in the occasions of consumption.

We will continue working on programs and projects that reduce the environmental impact in distribution centers, transport logistics and any pertinent initiatives from customers, such as Leadership in Energy and Environmental Design (LEED) certification, a clean transport manual, cleaner transportation alternatives and better environmental performance in sales channels, among others. [G4-EN30] [SDG 11] [SDG 12] [SDG 13]

In medium- and long-term, we will strengthen the training processes and integral advice to customers through customer and specialized service schools, to contribute to developing their capabilities and ensure their competitiveness. Also, we will continue to implement best practices in other segments, within which the collaboration model that integrates the value chain and connects customer–company teams, through shared management indicators, is highlighted.

Remarkable Achievements

An outstanding success story is the research conducted with Pontificia Universidad Javeriana (in Bogotá) to identify ergonomic conditions of greater impact for Commercial Nutresa distribution personnel. This research was recognized in the international scientific community and presented at 2 international conferences. A plan in accordance with the results will be implemented in operations to minimize sources of accidents and occupational hazards.

Another success story **is the 11% fleet renewal dedicated to distribution of cold products in Colombia,** with vehicles equipped with **cutting–edge refrigeration and freezing equipment, with higher yields and lower emissions.**

Distribution center for the Pasta Business in Mosquera, Colombia.

The Pasta Business distribution center at Mosquera obtained Gold–Level LEED certification, for meeting global sustainable construction practices. Principal aspects evaluated are: sustainable sites, water, energy and atmosphere savings; materials and resources; interior environmental quality; design innovation and regional credits.

Progress 2015

In order to manage sales responsibly, Grupo Nutresa focuses on topics such as customer experience, networks and commercial channels, the reduction of social and environmental impact, and strengthening customers. To do this, the following strategies were developed:

CUSTOMER STRENGTHENING

In Colombia, continuity was given to the role of the **business developer** for customers of traditional and convenience–store channels, to ensure longevity and competitiveness in the market, through comprehensive advice about their business. Customers value this strategy, since they perceive an improvement in profitability and increase their technical skills through professionalization, manage their business and their sustainability in a highly competitive environment.

Likewise, the **Flawless Execution** program was maintained, which ensures brand attractiveness and availability at points of sales, higher turnover and customer traffic. One of the most significant program initiatives was delivering and installing shelves for 340 stores and 221 wholesalers, in order to improve the shopping experience in these channels, making them competitive and valid.

Loyalty and recognition plans were developed to support customers in growth, profitability and sustainability over time, to increase their perception as a Grupo Nutresa partner and ally:

- The Socios Nutresa Loyalty Program awarded 1,500 customers from the traditional channel and 280 from the convenience stores by Comercial Nutresa.
- Súper Socio awarded 4,300 customers in the Ice Cream Business.
- Loyalty Program for Ice Cream Parlors and Program for Drugstores in the Ice Cream Business.
- Annual Recognition event for 4,600 independent ice cream vendors.
- Preferential Circle for Wholesale Customers for 99 customers of the Cold Cut Business.
- The international customers convention held in Colombia, was attended by 27 international companies from 15 countries.
- Training Plan in Costa Rica for retail customers, together with the National Chamber of Retailers and Related Sector (Cámara Nacional de Comerciantes Detallistas y Afines, CANACODEA), and sponsorship and training in national congresses held benefited 350 members.
- Customer training and education in Costa Rica on issues of service.
- The Second School of Distributors in sales, marketing, trade marketing, logistics, accounting and life plan in Ecuador, strengthening 15 entrepreneurs.
- Training program for BON Ice Cream Parlor franchisees in the Dominican Republic.

Colombia Meals vendor attending a client from the pharmacy channel in Bogotá, Colombia.

COLLABORATION MODEL

This is part of the model to reach markets and was born as a way to evolve the relationship with customers. Common objectives are shared that seek a two–way development, where approved measurement indicators are defined to monitor compliance. Within the Organization, we work with business figures that interact with customers to generate their alignment and coherence.

SAFETY AND HEALTH MANAGEMENT SYSTEM AT WORK FOR COMMERCIAL AGENTS

An integral training plan was implemented for more than 100 commercial agents in Comercial Nutresa and the Cold Cut Business. It seeks to replicate best practices, new trends, legal and tax regulations to mitigate risks of legal noncompliance, and strengthen the relationship with customers.

Similarly, together with the Administrators of Labor Risks (Administradora de Riesgos Laborales, ARL), Comercial Nutresa accompanied the commercial agents to construct and launch the road safety strategic plan, the objective of which is to promote the formation of safe habits, behaviors and conducts of people on the road, to minimize the risks in displacing the operation.

CUSTOMER SCHOOLS

The Grocers School and Customer Certification is a program to develop and train grocers to achieve greater competitiveness. More than 13,000 entrepreneurs have benefitted in the 12 years that the program has been in effect, thanks to its dynamism and constant evolution.

The Ice Cream Business worked closely with its marketers in training 19 customers in areas such as strategic planning, business management, finances and development of being.

Sales assistants from Comercial Nutresa.

SOCIAL PROGRAMS TO BENEFIT OUR CUSTOMERS

Managing the strategy to eradicate poverty through business initiatives is one of Grupo Nutresa's priorities. Through Fundación Nutresa, activities are developed that strengthen communities at the base of the pyramid and are part of the value chain; we also worked on integrating the concept of inclusive businesses in the commercial strategy of the Businesses and consolidating action plans that enhance economic growth, and the ecological and social balance. The following programs were carried out:

Sales Networks for Leader Mothers and Training for Entrepreneur Mothers

Through regular meetings, Novaventa trained 115,000 entrepreneur mothers on topics such as nutrition, childhood, adolescence, healthy relationships, sexuality, and healthy lifestyles, among others, which contribute to their personal and family development.

The leading problems of Leader Mothers were identified and, by implementing a virtual strategy called The Novaventa Connection (Conexión Novaventa), priority issues, such as care for the elderly or the disabled, the entrepreneur's spouse, and the creation of trusted networks with adolescents, were addressed to contribute to their quality of life. Digital inclusion was also present in the training programs aimed at Leader Mothers. With Fundación Nutresa, in 2015 the Oriéntate program was carried out with more than 80 mothers, which resulted in the appropriation of using ICT in everyday life and their business as a Leader Mother.

Development of Pozuelo's Retail Channel in Costa Rica and Panama

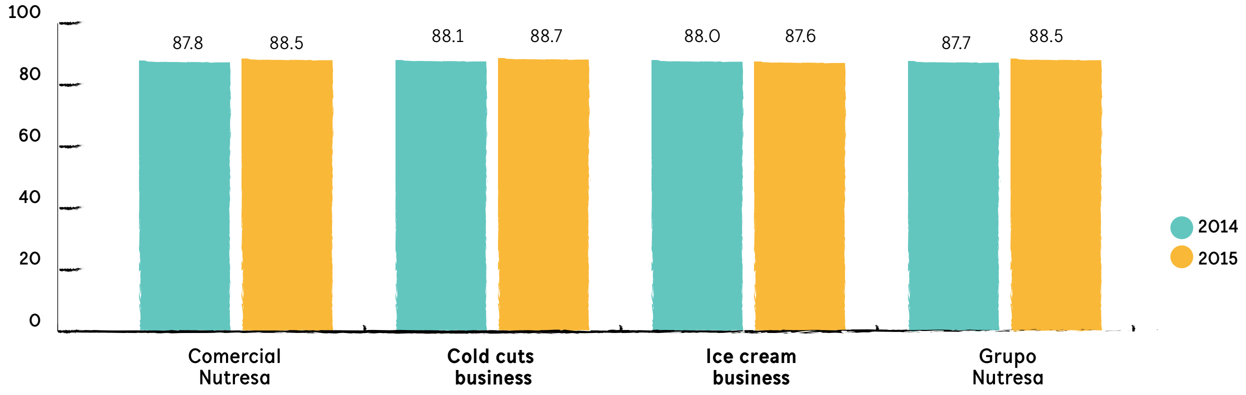
A program was developed to eliminate cultural barriers with Chinese businessmen in the region and facilitate trade relations by strengthening their Spanish. This initiative achieved rapprochement with the Chinese community and bonding with their families by providing recreational material.

Diamond Day Event with Entrepreneurs mothers.

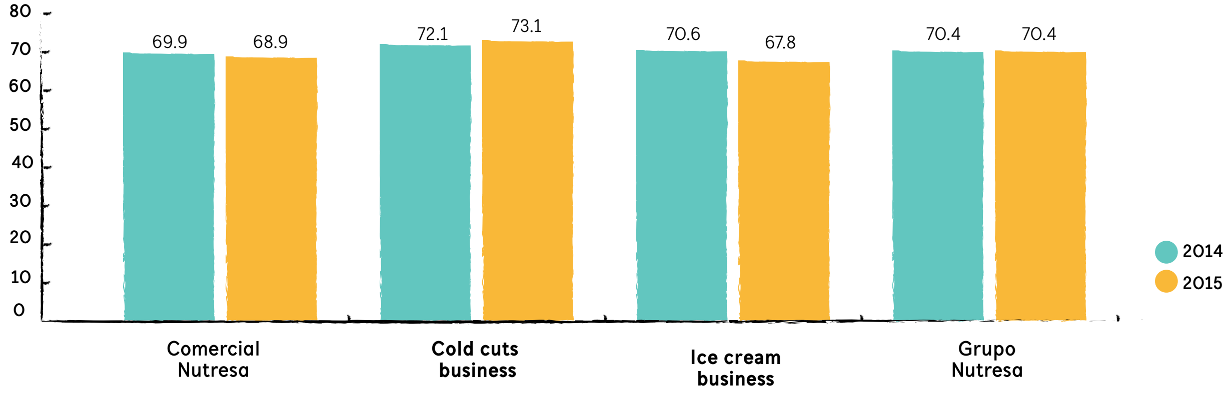
CUSTOMER SATISFACTION

Grupo Nutresa consistently measures levels of customer satisfaction and loyalty. In terms of satisfaction, it assesses the performance and efficiency of processes against expectations. In turn, loyalty measures loyalty and emotional connection. Both indicators are at levels of excellence within international standards.

Results of customer satisfaction surveys [G4-PR5]



Customer loyalty



DIAGNOSIS OF MARKETING AND TRANSPORT EMISSIONS

[G4-EN30] [SDG 11] [SDG 12] [SDG 13]

Grupo Nutresa works constantly for its environmental principles to be incorporated throughout its value chain. For this reason, for several years, diagnoses have been carried out and best practices incorporated in its logistics process. Proof of this is the continuation of measuring the Greenhouse Gas (GHG) inventory in its primary and secondary transport in Colombia. The results in 2015 showed total emissions of 64,598 tons of CO_2e, with a share of 16% generated by vehicles managed by the Company and 84% for third parties. For more information, please go to the chapter "Climate Change."

During 2015, significant progress was made in terms of energy efficiency in transport processes.

[G4-EN4] [SDG 7] [SDG 8] [SDG 12] [SDG 13]

In 2015,
energy consumption
in third-part
distribution was
178,541.94 MWh

BUILDING
A BETTER SOCIETY

Grupo Nutresa focuses on strengthening the capabilities of the communities with which it interacts to promote their growth and development, as well as promoting initiatives aimed at alleviating hunger generating possibilities of nutrition and healthy lifestyles. In addition, as a corporate citizen it fosters respect for human rights with its stakeholders.

A FUTURE
TOGETHER

HUMAN RIGHTS [G4-DMA]

Collaborators with hearing impairment, from Colcafé, at the 65th anniversary celebration of the Company.

Purpose

To manage strategies aimed at promoting, identifying and monitoring behaviors that violate human rights by leaders, direct employees and contractors in a structured manner, in order to consolidate a work culture that appreciates diversity in all its forms, that is inclusive and that capitalizes on difference to benefit innovation, attraction and commitment of the best talent.

Strategy	Progress 2015
Train leaders and work teams in human rights, diversity and inclusion.	We trained 7,668 employees and leaders. [G4-HR2]
Consolidate grievance mechanisms for human rights abuses and discrimination.	Different mechanisms, such as the Ethics Hotline, Coexistence Committees and the Human Rights eMailbox, were disclosed. A total of 40 cases of possible human rights abuses and discrimination were reported.
Strengthen the Human Rights Strategic Committee and the Tactical Committee.	The Human Rights Strategic Committee led 21 conversations, with the participation of employee and union representatives from the companies in Colombia, Mexico and Peru.
Update the Grupo Nutresa Human Rights Risk Matrix and build matrices of the principal international operations.	We updated the corporate risk matrix and built matrices in Central America, Mexico, Peru, Chile and Ecuador.
Promote diversity and inclusion practices.	We incorporated the Equipares gender—equality management system in Servicios Nutresa. We disclosed the "And Who Wins Here" strategy as an awareness tool in discrimination. Research was conducted on changes in the workforce according to the new generations and leaders were trained. We incorporated 100 handicapped employees in the different companies.

Risks and Opportunities

Risks, such as the effect on reputation, makes attracting talent and employee commitment difficult; for this reason, the Organization manages strategies and programs that help strengthen the employer brand in a structured manner.

Due to the high risk of violation of human rights and discrimination by bosses or co-workers, strategies are focused on raising awareness and incorporating inclusion and diversity practices. Complementing this work, contractors were involved through audits on labor standards, which helped identify risks and build roadmaps to mitigate them.

The risk of noncompliance of labor standards has labor and criminal lawsuits as possible consequences, so Grupo Nutresa has grievance mechanisms and conversations with employee and union representatives that allow for transparent, trustworthy relationships.

Diversity in the workforce generates a culture open to change and innovation, so the Organization has incorporated global practices of inclusion and diversity.

Future Perspectives

In the process of consolidating the human rights management system, Grupo Nutresa continues with challenges identified in conversations with employees and unions, in grievance mechanisms and in the risk matrix. Today we have a work plan to mitigate these challenges by 2020.

The foci of work identified are: continue training in human rights and diversity and inclusion in all the companies in Colombia and abroad; consolidate grievance mechanisms for violation or discrimination; incorporate the gender-equality seal in all companies to close existing gaps in managing gender equality; sensitize and educate employees about the implications of the post-conflict in Colombia and their role as citizens in this process; and develop skills in contractors to manage human rights.

Remarkable Achievements

The results of the Dow Jones Sustainability Index 2015 positioned **Grupo Nutresa with the highest ranking in managing human rights and labor practices,** and ranked it as a world leader in the field.

Servicios Nutresa obtained the seal of gender equality Equipares, awarded by the Ministry of Labour, UNDP and the Presidential Council for Women Equity; because of the oincorporation and consolidation of practices for equity, promoting equal opportunities for men and women in the labor sphere.

Servicios Nutresa team with representatives from PNUD, Ministry of Labor and Icontec at an external audit for Equity Labor Seal.

Progress 2015

The Grupo Nutresa human rights management system has been aimed at mitigating risks and consolidating a culture focused on diversity, inclusion and equality, with the conviction that respect for people drives the commitment to the Organization and strengthens its social capital, reflected in improved reputation and employer brand.

Because of the key role of the Company's human capital in managing this issue, in 2015 work was aimed at training leaders and work teams in matters related to human rights, diversity and inclusion. This training was carried out through workshops and communication strategies that illustrated to employees the situations and behaviors that may violate these rights. **[G4-HR2]**

Training in Diversity and Inclusion to collaborators from different companies of Grupo Nutresa.

> During 2015, **18,234 hours were invested in human rights training for managers and employees.** Currently, the percentage of employees trained is **38%.**

Structuring and defining grievance mechanisms helped create greater awareness on the issue in employees and activated the possibility of making cases of possible infringement visible, which was reflected in the increase in grievances, going from nine cases reported in 2014 to 40 in 2015, which were addressed and managed by those responsible in each business.

Number of Cases of Discrimination **[G4-HR3]** **[SDG 5]** **[SDG 8]** **[SDG 16]**

	2013	2014	2015
Number of Discrimination Cases Reported	21	9	18
Number of Cases Confirmed	0	0	0
Number of Cases reviwed by the Organization	0	0	0
Number of Cases where a Corrective Plan Was Applied	0	0	0
Number of Cases Closed	0	0	0

The management of the Human Rights Strategic Committee was consolidated; for the third year, it held conversations with employee and union representatives to socialize the practices that promote respect for human rights and situations that may violate them.

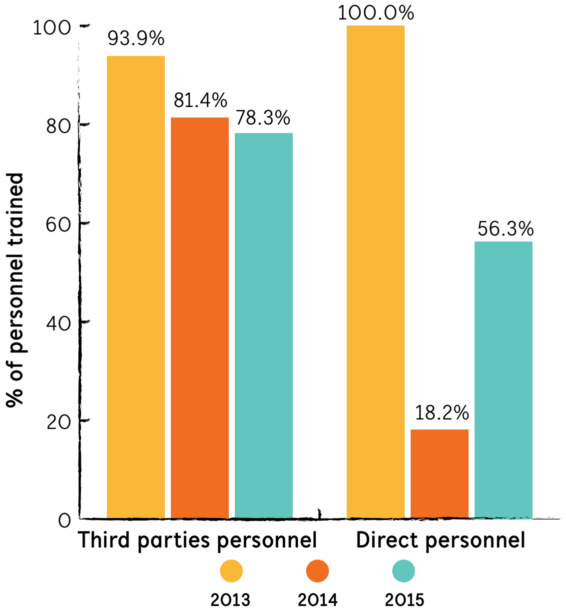
We held 21 meetings, where aspects that will be incorporated into future work plans – aimed at strengthening grievance mechanisms, training middle management, promoting calls to fill vacancies, developing capabilities of the members of the Coexistence Committee, and assuring the alignment of contractors with the Grupo Nutresa philosophy of action – were identified.

Progress was made in international operations in Mexico, Peru, Costa Rica, Chile and Ecuador, where conversations were held with employee and union representatives, risk matrices were developed and employees were trained in human rights.

Within the Tactical Committee's work plan, training continued in human rights for security personnel, to ensure that their behavior conforms to the Organization's vision and values.

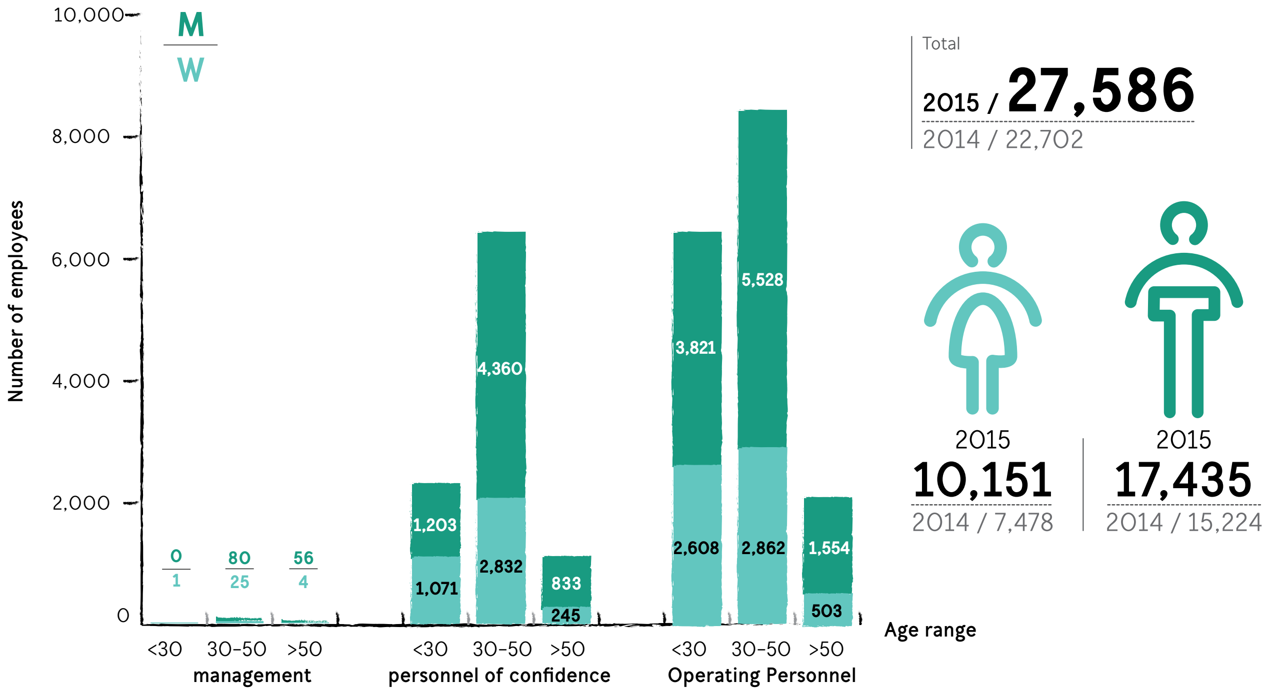
Security Personnel Who Have Received Training on Human Rights

[G4-HR7] **[SDG 16]**

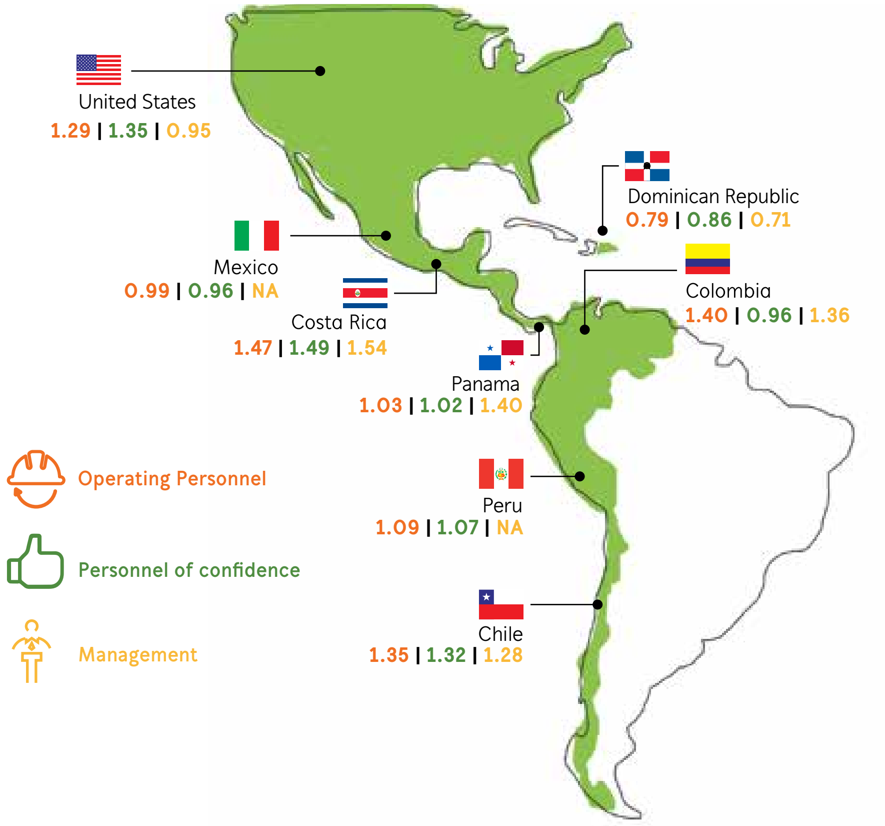


Employees from Industrias Aliadas. Ibagué, Colombia.

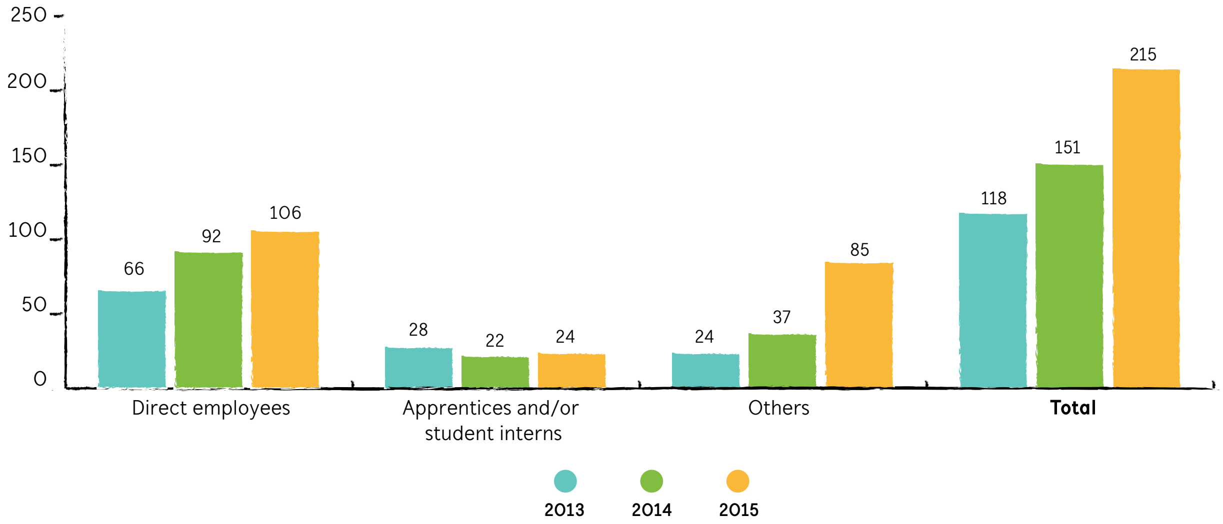
Direct employees by gender [G4-LA12] [SDG 5] [SDG 8] [G4-10]



Ratio of basic salary and remuneration of women to men [G4-LA13] [SDG 5] [SDG 8] [SDG 10]



Number of people with disabilities [G4-LA12] [SDG 5] [SDG 8]



To strengthen social capital and address extended responsibility, in 2015 an auditing plan was structured in labor standards for contractors, which defined actions to minimize the risk of human rights violations and enabled them to develop skills inspired in the Grupo Nutresa philosophy. Likewise, in contracts with third parties there is an express commitment to promote and respect human rights in their operations. In 2015 one significant contract was signed with this clause [G4-HR1] [SDG 16]. Consistent with the principles of the Global Compact, Grupo Nutresa and its contractors do not hire minors and do not permit any type of forced labor, which seeks to ensure that these risks do not arise in the Organization's workplaces.

In connection with suppliers, potential risks of child labor have been identified in the supply of cocoa, corrugated materials, fruits and vegetables, wheat, eggs, milk and substitutes, so the supplier is evaluated to see if it has control mechanisms. Also, during on–site visits, it is ascertained that there are no children working and resumes and social security reports are requested.
[G4-11] [SDG 8]
[G4-HR5] [SDG 8] [SDG 16] [G4-HR6] [SDG 8]

Grupo Nutresa includes the participation of union organizations and collective agreements of employees as a mechanism of association to construct agreements that benefit employees. In 2015, 14.3% of employees were affiliated to unions and 50.8% to collective agreements of employees. These associations are heard through different mechanisms, such as the Human Rights Committees, which report on the changes that impact workers in the companies, so that they are involved in an agenda of change that enables them to successfully migrate to new realities. [G4-LA4] [SDG 8]

Attracting talents from different environments produces creative and flexible. Staff with disability, Pastas Doria.

In the human rights assessments made in the Organization in recent years, we have found a low risk of violating freedom of association and the right to collective bargaining. In dairy products, fruits and vegetables, and assembly services, potential risks were identified, for which the assessment of the existence of freedom of association, unions, collective agreements and other mechanisms. [G4-HR4] [SDG 8]

DEVELOPING CAPABILITIES AND EDUCATION [G4-DMA]

Handing out of school kits at Buenaventura. Valle, Colombia.

Purpose

To contribute to improving the education of children and youth in the communities with which Grupo Nutresa interacts, by developing educational, leadership and management capabilities to face poverty and promote their sustainability, transformation and quality of life.

Strategy	Progress 2015
Strengthen school management.	Altogether, 480 schools were benefited by promoting learning communities where methodologies and management tools were shared to transform the institutional culture and permit better school performance. [G4-EC8]
Promote the technological skills of teachers and directors.	A total of 443 teachers and 50 directors in 19 educational institutions in eight departments in Colombia. [G4-SO1] 150 educational experiences in technology were conducted.
Boost partnerships in education.	100 low performing schools, located in areas of poverty in five departments in Colombia, were trained in quality with the Colombian Ministry of Education. [G4-EC8] [G4-SO1]
Strengthen corporate volunteering.	A total of 10,979 Grupo Nutresa employees accompanied and advised 18,696 social initiatives to develop skills in low–income communities. [G4-EC8] [G4-SO1]
Promote school access and permanence	6,000 school kits were given to children in high social risk rural schools. [G4-EC8]
Develop skills in the value chain of the Grupo Nutresa companies.	Altogether, 34 organizations of small producers were strengthened in organizational, financial and technical skills. The inclusive business strategy was boosted with communities at the base of the pyramid, such as Entrepreneurial Mothers, shopkeepers and sales–to–go workers.

The indicator [G4-EC8] is linked to the goals. [SDG 1] [SDG 2] [SDG 3] [SDG 8] [SDG 10] [SDG 17]

Risks and Opportunities

Achieving sustainable conditions in the environment where the Grupo Nutresa companies conduct their operations is crucial to ensure continuity over time; therefore, the development of capacities allows creating social capital that empowers and facilitates overcoming risks such as poverty and inequality.

Investment in education is an opportunity to contribute to economic strengthening by permitting the advancement of society and the consolidation of a strong educational system that enables research, innovation and the development of competitive human capital.

Given the risks inherent to the conditions of insecurity in the regions where Grupo Nutresa operates, we conduct outreach initiatives with communities, promoting credibility, trust and acceptance. This facilitates the business operations and the transfer of knowledge, and ensures social value to the communities. [G4-EC8]

Remarkable Achievements

A success story to highlight is the partnership agreement with the Colombian Ministry of Education and its "All to Learn" (Todos a Aprender) Program, whereby Fundación Nutresa accompanies a path of educational quality in 100 schools with low academic performance in five departments. These efforts seek to improve the quality of education to generate opportunities for progress and competitiveness that contribute to closing equity gaps. [G4-EC8] [G4-SO1]

Future Perspectives

Aligned with the United Nations Sustainable Development Goals, Grupo Nutresa's management seeks to address social challenges and promote the development of capabilities to build a sustainable society; therefore, we have defined the following goals to be achieved by 2020:

Projects to Build Capabilities		**Goal 1.000**
Nutrition	- Adoption of healthy lifestyles - Implementation of best manufacturing practices in food banks and community soup kitchens	**120**
Education	- Improvement of the quality index in educational institutions - Assimilation and application of technological tools in the teaching/learning process	**763**
Income Generation	- Promotion of inclusive businesses - Improvement of the organizational capacity of the initiatives supported in the value chain	**87**
Volunteering	- Promotion of employee volunteer actions that leverage social management in communities	**30**

Through educational management, plans will continue that seek to strengthen professional skills at the level of education, management and leadership, so that teachers and directors can improve students' learning process and strengthen the school management system. [G4-SO1]

The strategy to support the most vulnerable communities in the areas of Grupo Nutresa's commercial operation will be strengthened in the short and medium term, in search of safer conditions for the distribution and logistics of the portfolio of products. We will continue fostering partnerships with public entities and multilateral agencies to contribute to a inclusive andequitable quality education.

Progress 2015

To contribute to education, through its Foundation, Grupo Nutresa focuses management on improving educational quality and access through its own programs that transform human and social capital in low–income populations. Among these programs are Nutresa Quiere a los Niños, Líderes Siglo XXI and Oriéntate, el Mundo a un Clic.

Beneficiaries of the Pre-K English Program in Medellín, Colombia.

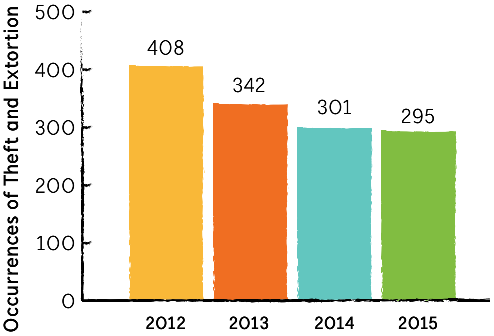
NUTRESA QUIERE A LOS NIÑOS

This initiative seeks to bring the Organization to vulnerable communities with high insecurity rates. During 2015, the following results were achieved:

- Increased recognition and trust in Grupo Nutresa and its brands, facilitating logistics operations.
- Development of social actions to promote healthy lifestyles in the communities benefitted.
- Delivery of school kits to children in rural schools located in inaccessible areas to encourage school attendance.
- Integration of employees with communities through corporate volunteering.

Years	1994-2012	2013	2014	2015	Total
Children Attended	112,286	5,986	5,693	6,000	129,965
Schools	2,476	147	102	137	2,862
Municipalities	435	33	36	14	518
Investment	2,404	251	240	228	3,122

Nutresa quiere a los niños has benefitted 39 communities in seven departments in Colombia by promoting healthy lifestyles in 15,873 children and parents. It has also decreased situations of robbery and extortion in the distribution of the Organization's products, which went from 301 cases in 2013 to 295 cases in 2015.



PROYECTO EDUCATIVO LÍDERES SIGLO XXI

[G4-EC8] [G4-SO1]

Fundación Nutresa develops an improvement map with schools, promoting learning communities that share management methodologies and tools, which – once implemented – contribute to transforming the institutional culture and better school performance.

The project encourages strengthening organizational leadership and management skills through which the school effectively manages improvement on State tests, dropouts, coverage and satisfaction of the educational community.

This initiative calls for corporate volunteering, through which professionals from different areas of the Organization are involved as trainers, evaluators and companions of the educational institutions.

During 2015, Fundación Nutresa accompanied 480 educational institutions in improving their school management processes.

> Nearly **1,300 schools have been linked to the program** program and more than **4,000 directors and teachers have benefitted** since 1994.

Teachers from the Educational Institution La Niña María from the municipality of Caloto, Colombia. Beneficiaries of the Orientate, the world at a click program.

ORIÉNTATE EL MUNDO A UN CLIC [G4-EC8] [G4-SO1]

This program develops teacher skills in the use and management of technological tools.

The process begins with collecting and analyzing information related to the level of technological appropriation by teachers in educational institutions, the technological equipment available and the levels of use thereof.

Also, training is conducted through a comprehensive model that includes teacher awareness and permanent accompaniment, according to the realities and needs of each.

In 2015, 443 teachers and 50 directors in 19 educational institutions in eight departments of Colombia were trained. Of the teacher participants, 85.8% obtained a performance equal to or greater than 70%.

Salomé training program at Helados Bon, Dominican Republic.

DEVELOPMENT OF CAPABILITIES IN THE VALUE CHAIN

Another management focus to develop capabilities is found in inclusive businesses, which are inserted in the Grupo Nutresa value chain and generate social and financial capital through sustainable economic initiatives See details in the Chapters Sustainable Sourcing and Responsible Sales.

Volunteers celebrating International Volunteer Day at the Educational Institution Pedro Luis Villa. Medellín, Colombia.

CORPORATE VOLUNTEERING, A STRATEGY TO DEVELOP CAPABILITIES

The Grupo Nutresa volunteer network consists of 10,979 employees who contribute time and money and promote spaces to develop and strengthen capabilities in both the volunteers and the target communities. Thus, around 150,852 persons have benefitted, through an investment of 27,333 hours, represented in the Company's human capital, who make their knowledge and skills available to communities.

PROGRAMA AULA

This is a space to train and accompany communities that seek to provide tools to volunteers and community leaders to enable them to generate value in their territories. The last year, 1,405 hours of training were invested for more than 39 community leaders. During 2015, "Aula Itinerante," a new methodology that allows direct, timely response to the training needs of the Ice Cream Business marketers and which directly benefitted more than 430 independent vendors, was implemented.

Educational Institution Celmira Bueno de Orejuela in Cali, Colombia, with several Grupo Nutresa education programs implemented.

THE POWER OF 1,000

This is the platform to recognize volunteers for their joint management. In 2015 more than 1,306 volunteers in 12 countries of the strategic region participated. This activity promotes the recognition and motivation of volunteers to continue participating in sustainable actions that have great impact on communities and that benefit the country's development.

Chile.

Colombia.

Costa Rica.

El Salvador.

United States.

Guatemala.

Mexico.

Nicaragua.

Panama.

Peru.

Dominican Republic.

FOOD SECURITY AND NUTRITION

[G4-DMA]

Healthy School program that develops actions to prevent and control child obesity in school- Tresmontes Lucchetti Chile and Mexico.

Purpose

To design and undertake initiatives aimed at eradicating hunger, which generate possibilities of nutrition and the development of capabilities in healthy habits, such as balanced nutrition, effective hygiene practices and physical activity in low–income populations. Likewise, through community gardens, promote access to and production of food.

Strategy	Progress 2015
Implement the Zero Food Waste Policy.	⇨ The procedure to deliver products to food banks was established in all the companies. ⇨ Greater traceability of products delivered to the food banks in the strategic region was achieved. ⇨ The destruction of more than 1,108 tons of products was avoided and were delivered to 28 food banks in nine countries.
Promote the Rural Food Plan.	⇨ The plan to implement healthy practices based on community gardens was built. ⇨ Ten gardens were established in rural communities, which facilitate access to food and improve family income.
Consolidate partnerships around the adoption of healthy lifestyles.	⇨ Together with the Colombian Ministry of Education, UNICEF, and the World Food Programme, we advanced in strengthening capabilities in children and adolescents in healthy food, physical activity and key hygiene practices in 20 educational establishments. ⇨ In Chile and Mexico, we continued the program to prevent childhood obesity in public schools, which benefitted 2,107 children.

Risks and Opportunities

The conditions of food insecurity present in the strategic region where Grupo Nutresa operates represent a limiting factor for socio-economic development; they generate social asymmetries and decrease the possibility of competitive human capital, which constitute a risk to the management of the Organization to impact economic, social and environmental sustainability.

In front of the reduction of waste produced by the Grupo Nutresa companies, there is a great opportunity to mitigate environmental and social effects; we manage the delivery of foods that are outside the commercial chain and meet quality standards for low-income populations. This contributes to decreasing malnutrition in these populations.

Remarkable Achievements

- A noteworthy success story is **the food assistance provided on the Colombian-Venezuelan border,** in response to the humanitarian crisis. **More than 1,000 people were benefited** from six tons of products delivered.
- Another success story is the **adoption of the rural gardens strategy,** which are created and sustained by children, youth and adults. **In Colombia it has 78 gardens established.**

Future Perspectives

Grupo Nutresa drew up an objective of having zero food waste in its production, distribution and marketing processes. To achieve this goal, it developed a Zero Waste strategy to regulate the handling of all kinds of food of Grupo Nutresa that go out of market. The challenge is to incorporate it into the guidelines of each business and ensure compliance.

Similarly, to contribute to healthy lifestyles in the population, we will continue consolidating public and private partnerships to promote physical activity, key hygiene practices and a balanced diet, by developing strategies for the correct use of foods and harnessing rural and urban gardens.

Management will continue to strengthen food banks, to achieve the development of skills in the short term in areas related to safety in food handling, storage and administrative and traceability processes of the products, thus achieving assimilation in the medium term of best manufacturing practices and administrative and financial management.

We also seek, in the short term, that families promote food exchange and consumption, as well as advance in the medium term in forming healthy communities by integrating the Bronx Green Machine shared model, which seeks to promote healthy, equitable, resilient communities through inspiring education, local food systems and the development of human capital.

Children from a childrens' lunchroom in Atlántico, Colombia, beneficiaries of the sustainable food program.

Progress 2015

In order to contribute to solving nutritional needs of populations where the Organization is present, management is focused on both the Zero Waste strategy as well as in strengthening food banks. To do this, the following initiatives were developed:

ZERO WASTE STRATEGY

This is a model to manage products from the last link in the chain, recovering them to avoid their being destroyed; this permits optimizing the delivery of food fit for human consumption that meets quality standards, in a cost-effective manner to increase the amount of goods used by the population served by food banks.

With this initiative, the benefits to the companies are given in terms of reducing storage costs and labor by decreasing the cycle time of returning the product, improving management of the decline in point-of-sale products through operational efficiency, strengthening best practices as part of the organizational culture and work habits, decreasing costs to destroy products, as well as reducing waste sent to landfills by expiration of the product during the return process.

With the support of Fundación Nutresa, the Barranquilla Food Bank, Colombia, improved its indicatos of good manufacturing practices by 60% in 2013 to 88% in 2015.

Access to high quality foods by the population in conditions of poverty, the disminution of transport costs when the food bank collects the product, the creation of a collaborative economy between social organizations and low-income communities, and the availability of food to this population are achievements that generate social and financial capital in the regions where Grupo Nutresa operates.

Another focus of management in reducing food waste is the implementation of best manufacturing practices (BMPs) in food banks.

Through the National Association of Food Banks of Colombia (Asociación Nacional de Bancos de Alimentos de Colombia, ÁBACO) and volunteers from the businesses, the execution of actions is supported to close gaps and develop skills in the teams in these entities.

Goal	Results as of 2015
11 food banks in compliance with good manufacturing practices at 85%	9
16 food banks in compliance with good manufacturing practices at 70%	16

beneficiaries
for product delivery

TOTAL

1,134,767

1,107 tons
of product delivered to food banks

COP 6,000 million
in product delivered to low-income communities

> *"Working together with private companies contribute to reducing malnutrition and food waste in the country. Therefore, working in partnership with Grupo Nutresa has reduced food waste generated in the value chain and, complemented the nutrition of the population most vulnerable in the country. Having an ally as Grupo Nutresa is strategic if we are willing to meet the sustainable development goals: End of Poverty (1), Zero Hunger (2) responsible production and consumption decreasing to 50% destroyed food (12)".*
>
> Ana Catalina Suárez Peña
> *Director of Colombian Food Bank Association*

Delivering product to food banks it is accompanied by a process of capacity building that strengthens the proper handling of food, with the assistance of volunteers Nutresa Group and the investment of resources that leverage the closing of gaps in good manufacturing practices

Delivery of products to the Pereira Food Bank, Colombia.

Development of capabilities in food banks

Product output

Product receivers – Food banks

Product delivery to communities

Development of capabilities to strengthening food handling practices:

Buildings and facilities
- Location
- Water supply
- Waste disposing

Handling areas conditions
- Phisical infrastructure

Food handling staff
- Education and training
- Hygienic practices and protection measures

Hygienic handling requirements

Santination plans
- Cleaning and disinfection
- Pests control

To generate capabilities that promote sustainability and transformation and encourage food safety in low–income populations, Grupo Nutresa focuses its management on initiatives such as family agriculture and promotes partnerships to access and produce food. During 2015, the following initiatives were developed:

Novaventa and Coffe Business volunteers accompanying the construction of a school vegetable garden in the educational institution Pedro Luis Villa. Medellín, Colombia.

FAMILY FARMING

This consists of consolidating producer associations as a sustainable alternative that contributes to improving the living conditions of farmers in the region benefitted, with actions on several fronts including food safety programs to remedy nutritional needs, organizational strengthening and generation of technical capabilities.

The initiative aims to establish family gardens of various foods that promote biological use in the diet of families benefitted, through nutritional, healthy and ecologically sustainable production, while developing a training program aimed at improving the balanced diet.

In Colombia, there are 78 gardens established with technical and social support, which benefit more than 3,000 people in the region of Chocó, Antioquia, Cundinamarca, Barranquilla, Valle del Cauca and Montes de María.

THE BRONX GREEN MACHINE

This model seeks to promote healthy, equitable and resilient communities through inspiring education, local food systems and the development of human capital. The initiative is based on the use of urban agriculture in school environments aligned with key indicators in school performance and student promotion to transform fragmented, marginalized communities, so that they become inclusive and prosperous.

Construction of school vegetable gardens at the educational institution Rodrigo Correa Palacio. Medellín, Colombia.

Finally, focusing management on public–private partnerships to join efforts that ensure access to a balanced diet, accompanied by hygiene practices and physical activity, make up the strategy for food security and malnutrition that Grupo Nutresa and its Fundación Nutresa have developed. (see details in the chapter on "Nutrition and Healthy Living".)

REDUCING THE ENVIRONMENTAL IMPACT OF THE OPERATIONS AND PRODUCTS

Grupo Nutresa extends its commitment working for eco-efficiency in its supply chain and reducing the environmental impact of its products in their life cycle, through proper water management, emissions reduction, energy consumption and packaging materials.

A FUTURE
TOGETHER

Sesame Crops.

WATER RESOURCE MANAGEMENT

[G4-DMA]

Recovered Water Treatment System for industrial services, Pastas Doria. Mosquera, Colombia.

Purpose

To reduce the direct and indirect impact on water resources throughout the value chain and mitigate the risks associated with shortages or deterioration in the quality of the resource, as an essential resource for the Company's operations and for the local communities.

Strategy	Progress 2015
Optimize water consumption in processes.	Projects and processes that were developed allowed 7.7% reduction in water consumption per ton of product over 2014 and 22.1% cumulative reduction since 2010 for plants in Colombia. For operations in Mexico, Costa Rica, Peru and Chile was achieved in 2015 a reduction of 6.2%. Water recovery from processes was optimized in Colombia, whereby a reuse level of 7.1%, equal to 101,320 m^3, was achieved.
Reduce contamination through improved wastewater discharge	We worked to optimize the operation of existing wastewater treatment plants; four plants were built in Colombia, two were refurbished and a new plant was built in Mexico.
Managing water resources in the value chain and promoting responsible use.	During 2015 many collective activities were conducted. Such activities aimed to engage our communities in the commitment to a better water use. Activities also aimed to engage meat, cocoa and coffee suppliers. To this purpose we counted on support from the Cuenca Verde Water Fund, the delosAndes Coffee Growers Cooperative and those Company areas related to the supply chain development.
Know the water footprint and the water risks of operations.	A previous water footprint study for our businesses in Colombia was updated and its coverage was expanded to Chile. Although, in this country the water footprint was measured.
Implement water–pricing models to promote water efficiency projects.	A water–pricing model was prepared following international standards. The model aimed to increase financial return of water-related projects.

Risks and Opportunities

Life on Earth depends on the quality and quantity of water, factors that increasingly represent a major challenge regarding access, use and conservation. In addition to an increasing demand, border conflicts over water are accentuated; regulations toward its use and the quality of wastewater discharges strengthened to reduce impacts on the natural capital.

Changes in the availability and quality of water are identified as significant risks for Grupo Nutresa, as well as those aspects related to the competition for water accessibility, the emergence of restricted areas to establish production activities and the reduction in the availability of the resource caused by climate change.

In response, Grupo Nutresa established early action measures to mitigate water risks impact and to adapt to such changes. These measures are focused on reducing consumption in direct operations: risks evaluation, and estimation of water footprint throughout the value chain. collaborative work with suppliers and partners to reduce the effect on watersheds, establishing adaptation measures, reducing the impacts caused by wastewater discharges, and accountability to stakeholders.

Future Perspectives

In Grupo Nutresa, the management of water resources is essential to ensure sustainability of the Company and the related communities. For this reason, we foresee three challenges: adapting to a variable availability of water according to geographical conditions, reducing water consumption in direct operations and reducing the indirect water footprint from the value chain.

The study conducted to update the water risks assessment, allowed us to recognize the situation of 27 plants in the strategic region. From there, we will define a plan to mitigate these risks according to their intensity and probability of occurrence.

Also our businesses have prepared to comply with regulatory changes involving stricter wastewater quality parameters in Colombia in the next two years.

Similarly, we will continue to work at optimizing water consumption in order to reach our 2020 goal: reduce water use intensity by 30% compared to 2010. As marginal cost increases we should encourage innovative ways that offer solutions during the process and not at the end, to reduce consumption, a situation in which the water pricing model benefits financial evaluation of water efficiency projects.

Finally, we should face the challenge of water risk in the value chain if we want to address the 98% of the indirect water footprint, as well as continuing to work under a collective framework of action in the conservation of a common good.

2020 GOAL:
A 30% REDUCTION IN WATER CONSUMPTION PER TON OF FOOD PRODUCED.

Remarkable Achievements

Innovative ideas in the **centralized sanitation system in the Cold Cut Business in Medellín, allowed a 50% reduction in water consumption** —equal to 5,859 m^3, a 220 kg reduction in cleaning chemicals and the contaminating load in the wastewater.

Another innovation project, **used water—recirculation in the extraction process to obtain soluble coffee. The idea reduced the need to incorporate additional water in the process.** We cut down the use of 21,471 m^3 of water, representing one month of drinking water in the Coffee Business plant in Medellín.

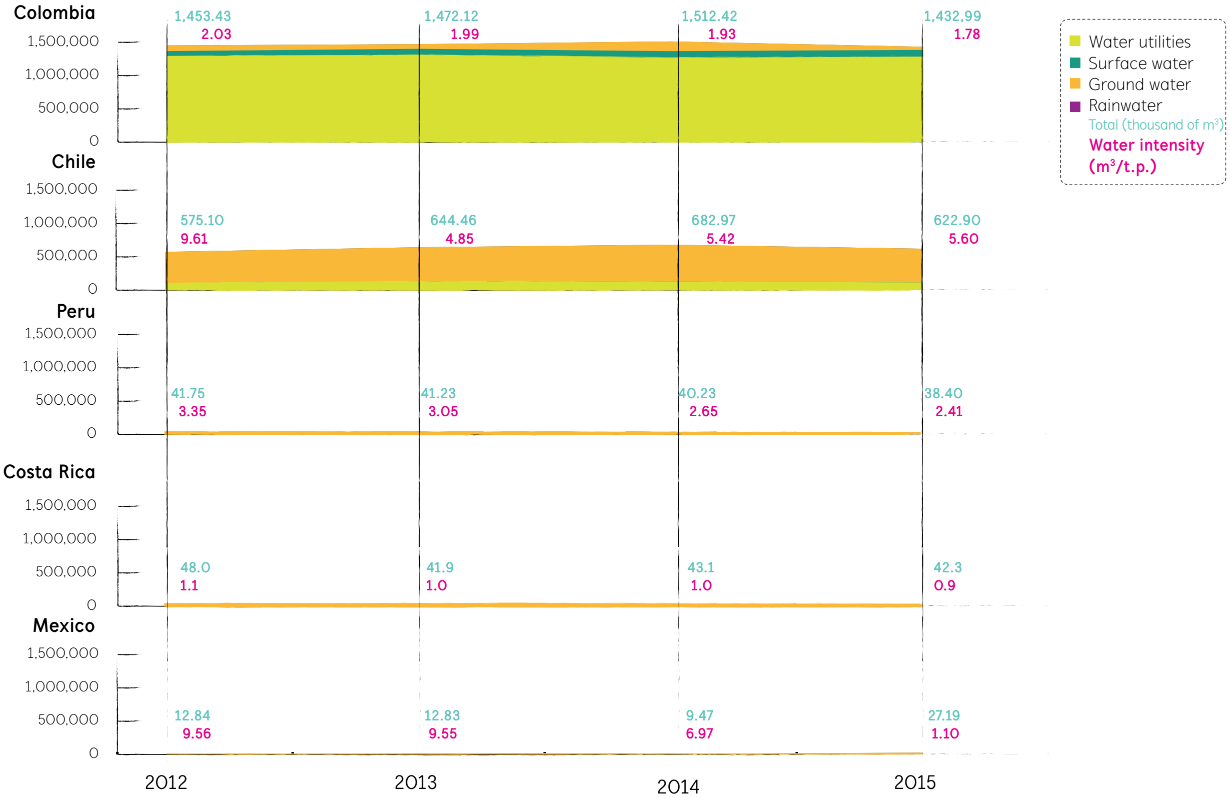

Collaborator at Colcafé extraction plant. Medellín, Colombia.

Progress 2015

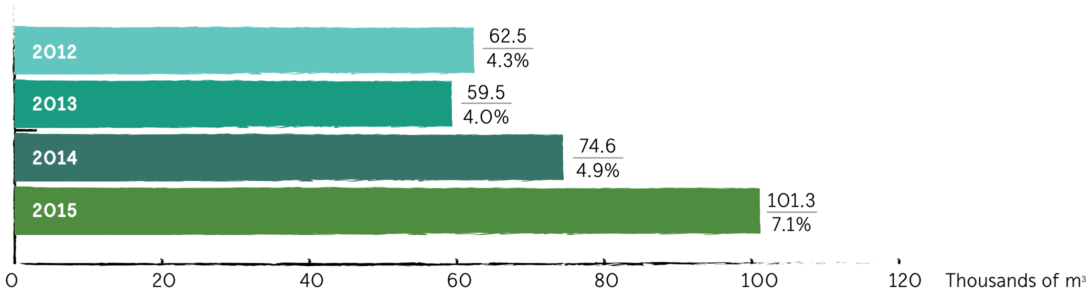
Grupo Nutresa's water–management action is basedon its corporate policy and on the principles of the CEO Water Mandate guidelines that it has followed since joining the United Nations initiative in 2012.

Accordingly, the Organization has set targets to improve its environmental performance. Grupo Nutresa will reduce 30% of water consumption (m^3/ton produced) by 2020, taking 2010 as the baseline. Results obtained during 2015 helped save 7.7%, for a 22.1% cumulative reduction from 2010–2015 for plants in Colombia. For operations in Mexico, Costa Rica, Peru and Chile reduction was 6.2% in 2015. Different projects implemented in the businesses, have allowed such a result. Furthermore, the promotion of culture habits, technological upgrading and modifications in some processes have added to this achievement.

Total water withdrawal by source [G4-EN8] [SDG 6]



Percentage and total volume of water recycled and reused [G4-EN10] [SDG 6] [SDG 8] [SDG 10]



WATER POLICY

The policy in water sustainability and related aspects focuses on the development and improvement of corporate and business performance, and it is based on these fundamental principles:

1. **Promote human rights to water,** with particular emphasis on basic sanitation and access to potable water.
2. **Ensure efficient water management in direct operations,** incorporating technological efficiency practices for use, reuse, recycling, reduced consumption and optimal treatment of discharges.
3. **Participate in watershed-management programs** that are related to operations, encouraging projects to preserve ecosystems and biodiversity.
4. **Promote a culture** that encourages businesses, employees and society to use water sustainably.
5. **Participate in public policy dialogues** to promote actions aimed at water sustainability.
6. **Manage relationships with direct suppliers** that encourage best practices in water management, benefits from relationships among parties, sharing acquired knowledge and experiences.

Waste water treatment plant, Pastas Doria. Mosquera, Colombia.

INITIATIVES TO REDUCE WATER CONSUMPTION AND REUSE WATER BY 2020

In order to incorporate water issues into the discussions and negotiations held in Paris, during the 2015 Conference of the Parties of the United Nations Framework Convention on Climate Change (COP 21), Grupo Nutresa accepted the invitation to be a signatory of the Business Alliance for Water and Climate Change. As part of this alliance, Grupo Nutresa is committed to advancing in the identification and socialization of its water risks, measure its water footprint and reduce its direct and indirect impacts on water throughout its value chain, aspects that make up its resource management strategy.

Also, during 2015, a projection exercise on environmental improvement initiatives was undertaken to gauge the investments and developments that would be involved to achieve our environmental goals by 2020. Our businesses identified the projects to reduce water consumption, reuse and treat wastewater. As a result, more than 21 initiatives were include in a database of projects to be analyzed and evaluated; the Organization must review, update and prioritize this roadmap and execute the most cost-effective.

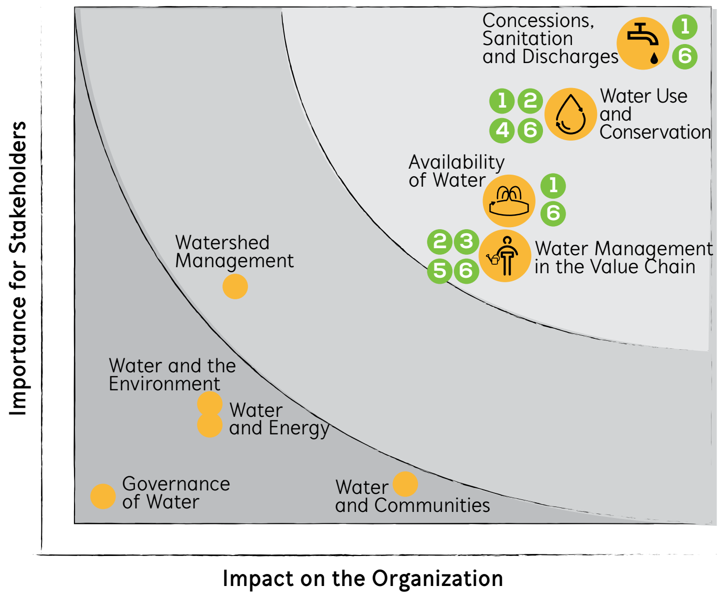
For more information on the alliance, visit: **https://wateractionhub.org/cop21-declaration/.**

MATERIALITY AND COMMUNICATION OF SPECIFIC PROGRESS ON WATER

Grupo Nutresa recognizes the importance of a materiality analysis as a tool to define strategies to be implemented in the management of water resources and communication with stakeholders. Consequently, in 2015 it conducted its first materiality analysis of water resources. For this process, we applied the definition of the Global Reporting Initiative (GRI) G4 reporting framework and the CEO Water Mandate Reporting Guide, where 17 issues grouped into nine material issues were identified.

To learn about the progress communication to the CEO Water Mandate, go to: **http://www.gruponutresa.com/es/content/ceo-water-mandate-comunicacion-en-progreso-grupo-nutresa-2014**

Materiality matrix for water-related aspects



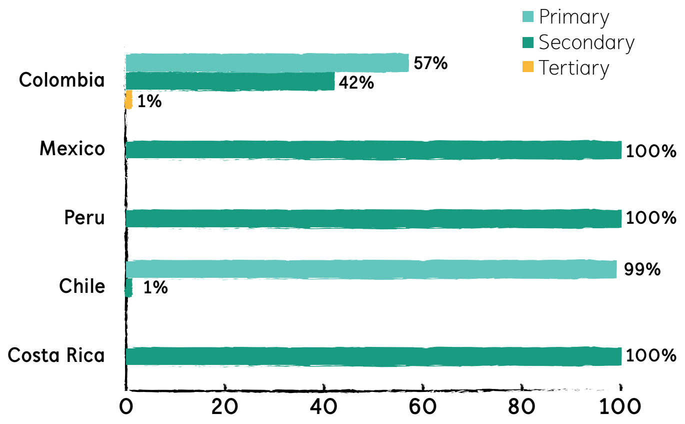
Six Elements of the CEO Water Mandate

- ① Direct Operations
- ② Supply Chain and Watershed Management
- ③ Collective Action
- ④ Public Policies
- ⑤ Community Participation
- ⑥ Transparency

Concessions, Sanitation and Wastewater Treatment

In order to anticipate the entry into force of new legislation on wastewater treatment, Grupo Nutresa is investing in its operations in Colombia to improve the quality of wastewater. Thus, in some of its plants, projects to optimize operations in the wastewater-treatment plants were carried out. In other places, plants were built, as in the case of the Ice Cream Business in Manizales, Pastas in Barranquilla and Coffee in Santa Marta. Noteworthy is the process to build the wastewater-treatment plant of the Cold Cut Business in Bogotá, which required an investment of COP 1,485 million and the implementation of an anaerobic system to remove the contaminating load in the Chocolate Business plant in Rionegro, with an investment of nearly COP 1.4 billion. This allowed one wastewater-treatment plants to enter into operation in 2015 in the Chocolate Business factory in Mexico.

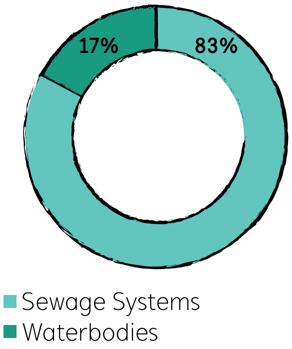
Type of Treatment of Wastewaters [G4-EN22] [SDG 3] [SDG 6] [SDG 12] [SDG 14]

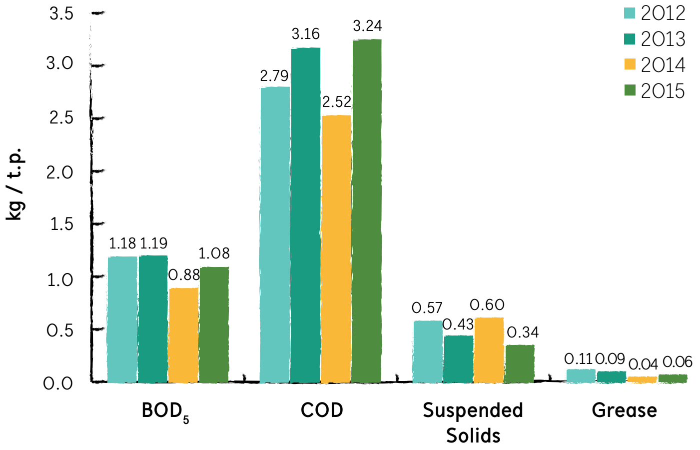


Waste water treatment plant of Ice Cream Business. Manizales, Colombia.

Moreover, all concessionary water catchments meet the requirements of environmental authorities regarding the amounts that may be extracted from each source. In this regard, the Organization does not significantly affect any of the sources that serve it. [G4-EN9] [SDG 6]

Destination and quality of water discharge [G4-EN22] [SDG 3] [SDG 6] [SDG 12] [SDG 14]

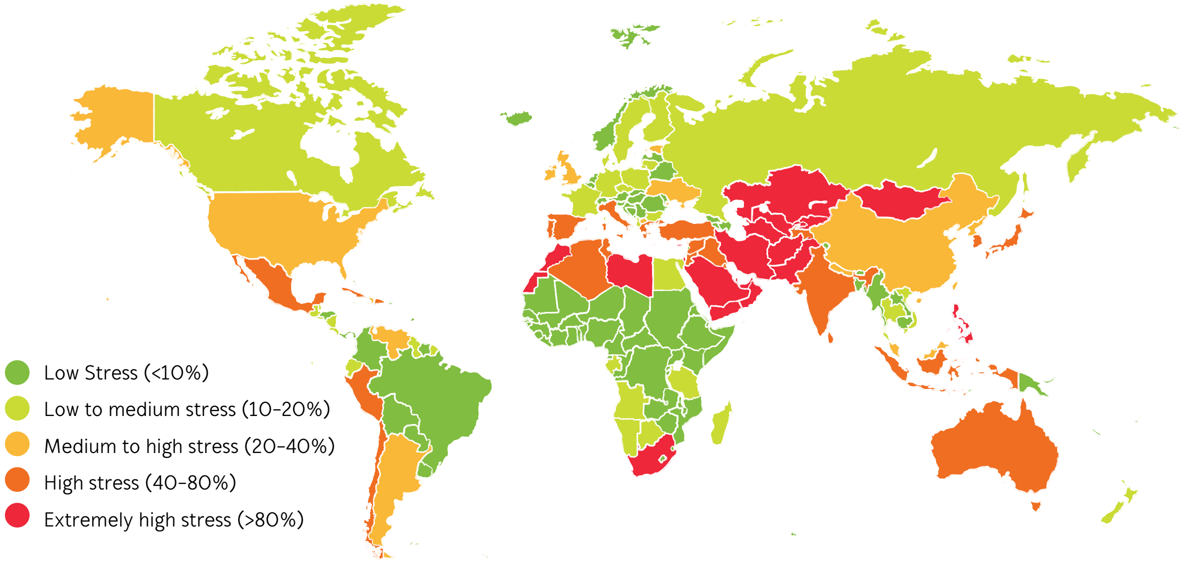




Use, Conservation and Availability of Water

Interested in knowing the possibility of water stress for the regions where our factories are placed, Grupo Nutresa used the Global Water Tool (GWT) from the World Business Council for Sustainable Development (WBCSD), which identifies water risks and opportunities, using global data from the principal watersheds. Likewise, the Company applied the World Resources Institute (WRI) Aqueduct Global Water Risk Mapping Tool, which allows companies, investors, governments and other users to understand where and how water risks and opportunities are emerging worldwide. These tools were applied for the Chocolate plants in Mexico and Peru, the Biscuit plant in Costa Rica, and Tresmontes Lucchetti in Chile.

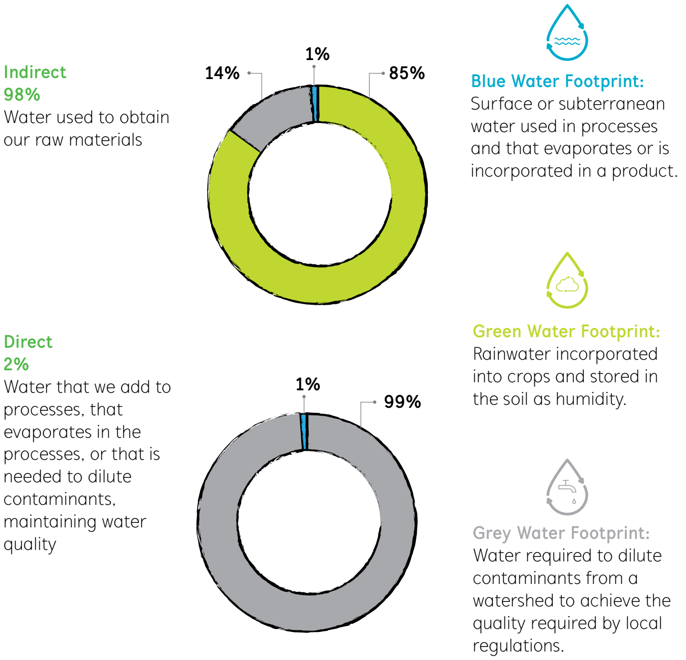
The GWT results for the analysis of basins, identified stress conditions in two plants: Tresmontes Lucchetti in Santiago de Chile and the Chocolate plant in Mexico City. There are conditions of scarcity for three Tresmontes Lucchetti plants in Chile: two in Valapraíso and one in Casablanca; there is also extreme scarcity in the Chocolate plant in Lima, Peru. Analysis showed the same trend for the water availability in 2025. In order to compare results, a second study was carried out. The modeling results with the WTI Aqueduct also evidenced water stress for the plants analyzed.



This analysis of physical water risks was complemented with an exhaustive review of the regulatory and reputational water risks for Chile and Colombia, which yielded a broader panorama of the impacts to which the Organization's operations may be exposed.

Although it identified areas in Colombia with an average degree of fragility of the water system, such as the Río Bogotá basin and the lower Magdalena River basin, as well as areas with a high degree of fragility, such as the region of Río Piedras and Río Manzanares in Santa Marta, Río Palo in Caloto, and Río Guadalajara and Río San Pedro in Buga. The review found no significant risks related to regulatory aspects that compromise access to water by Grupo Nutresa's operations.

For Chile, in addition to the physical risks already described, there is no evidence of situations related to risks for conflict over water or for regulatory matters that could compromise access to the resource for operations.



THE "WATER PRICING" PROJECT

Risk identification served as input to develop an analysis tool to approximate a real value for water resources, including costs associated with wastewater treatment and the costs of contamination and infrastructure demanded to remove the organic load and achieve wastewater parameters. During 2015, a model based on a real price of water was developed; we expect to launch it in 2016 and it will allow Grupo Nutresa to improve assessment of economic return on its environmental investments, as well as warn about the varying impact of conditions of availability and quality in its different operations.

Sustainable microsystem composed of an artifical lake. The lake water is used as the source for industrial process, receive treatment and are discharged to natural waters with better conditions than from origen. Novaventa Plant, El Carmen de Viboral, Colombia.

Water Management in the Value Chainr

Through the Coffee, Chocolate and Cold Cut Businesses, Grupo Nutresa presents some progress in water management in the value chain.

Cafés Nutresa

Water consumption in traditional coffee processing is between 30 and 40 liters of water per kilogram produced. To reduce the impact on water resources, the Coffee Business conducted a joint project to build a processing plant with the delosAndres Coffee Growers Cooperative, in the Department of Antioquia. It is estimated that this plant, which will begin operations in the first semestre of 2016, will save 25 million liters of water per year.

Chocolates Nutresa

Improving yields per hectare (ha) by up to 70% in cocoa production (increasing yields from 400 kg/ha-year to some 1,050 kg/ha-year) has yielded higher production with the same amount of water, thus increasing water efficiency and contributing to the reduction of the indirect water footprint.

Cárnicos Nutresa

The Business has its own and outsourced pig farms. With support from the Cuenca Verde Water Fund, it developed a process to involve hog producers located in watersheds. The intervention consisted of developing awareness in the community, enriching births, isolating slope forests, reforesting riverbanks with native species, building septic tanks and bridges for the passage of cattle.

ENERGY [G4-DMA]

Production Information Team carrying out process indicator follow-up. Compañia de Galletas Noel.

Purpose

To optimize energy intensity in industrial, commercial, logistics and administrative operations, by promoting a culture of efficient use of this resource and migration to cleaner sources of energy.

Strategy	Progress 2015
Reduce energy intensity in operations.	➡ A cumulative reduction of 17.7% was obtained in total energy consumption for the period 2010–2015. [G4-EN6] ➡ Energy consumption per ton produced increased 0,6%over 2014, due to the low availability of natural gas supply for the industrial sector in Colombia, which led the Organization towards the use of fuels such as diesel, crude oil and coal.
Reduce the electric energy in operations.	➡ Electricity consumption (kWh/t.p.) decreased 1.7% over 2014. The cumulative reduction since 2010was 9.3% for the plants in Colombia. [G4-EN6]
Reduce the thermal energy of non–renewable sources in operations.	➡ The indicator of thermal energy consumption from non–renewable sources (fossil fuels) (kWh/t.p.) increased 1.8%% over 2014 in the plants in Colombia. ➡ For the period 2010–2015, the reduction in the thermal energy indicator was 21.3%.
Increase the use of renewable sources of energy.	➡ Energy generation from the use of biomass represents 13.6% of the total energy basket for operations in Colombia and 45.2% for operations in Chile. ➡ Three pilot projects for auto–generation with solar plants in the Coffee and Chocolate Business plants in Colombia and in ice cream points of sale in Costa Rica were begun.

The indicator [G4-EN6] is linked to the goals [SDG 7] [SDG 8] [SDG 12] [SDG 13]

Risks and Opportunities

Grupo Nutresa may be exposed to financial and reputational risks arising from the variability of world prices for fossil fuels, the possible conditions of temporary or permanent shortages of some of them, climatic events that temporarily put the safety of hydroelectric energy supply at risk and the growing trend and interest of different audiences for the use of cleaner energy and renewable energy.

Aware of these challenges, the Organization focuses on searching for greater energy efficiency in its direct and indirect operations, using cleaner fuels, energy sources with less environmental impact and incorporating new technologies to reduce Greenhouse Gas (GHG) emissions.

Future Perspective

The response to energy challenges is supported by establishing challenging goals for 2020, such as reducing energy consumption per ton produced by 25% and having 100% of the energy supply from energy classified as cleaner.

The Grupo Nutresa businesses have established plans to reduce energy consumption in their processes through technological transformation projects, equipment upgrades, and energy audits that reduce dependence on thermal energy from non-renewable sources (natural gas and other fossil fuels), and increase the participation of alternative energies (biomass, thermal solar energy and solar photovoltaic energy) to eventually reduce GHG emissions by 2020.

Similarly, we will continue to promote the implementation of the principles of energy efficiency in logistics processes, the incorporation of low-energy consumption technologies in new distribution centers, the exploration of transportation projects through a fleet of more efficient vehicles and/or vehicles fed with cleaner energies, driver training and promoting different alternatives of sustainable mobility among employees.

Remarkable achievements

A success story to highlight is **the reduction in baking times** of the Panettones in the Chocolates Peru factory, from 75 to 60 minutes, thanks to adjustments in regulating and monitoring oven temperature, ensuring that the characteristics of the project are not altered by the impact of changes. Making the comparison between the 2014 and 2015 season, the same production of panettone was achieved, but the operation was reduced in eight days, **equivalent to a saving of 7,664 m^3 of natural gas.**

Other success stories was the installation of high-efficiency engines in the Coffee plant in Santa Marta **enabled savings of 336,504 kWh** in electricity, which represents 17.4% of total consumption in the plant in a year.

Also noteworthy is the independent cooling systems for cold rooms in the Ice Cream Business plant in Bogotá, which works with the evaporation temperature required in the rooms, separating the temperatures required in the production process and those to store the product, thus achieving **efficient energy use.** This project generated **savings of COP 120 million a year** and reduced the energy intensity by 17 kWh per ton produced.

Progress 2015

In Grupo Nutresa, energy use is considered an important variable in the competitiveness of the businesses and is critical to the environmental impact of operations. Therefore, it focuses on optimizing energy consumption and shifting to renewable sources.

In 2015, a complete internal energy–efficiency diagnosis was carried out in the production plants in Colombia. Each business identified those projects that contribute to productivity, reduce consumption of fossil fuels and contribute significantly to achieving the objectives proposed for 2020. A work plan was established to implement the projects that have the best reduced cost per kWh and the contribution to the fulfillment of the goal. For the 2016 investment plan, 16 projects were prioritized, focused on improving energy efficiency in all the businesses.

In international operations, the lifting of key environmental indicators and establishing plans to save and efficiently use energy began. Data from the Ice Cream Business operations in Costa Rica and Dominican Republic, Alimentos Cárnicos in Panama, the Biscuit plants in Costa Rica and the United States, the Chocolate plants in Costa Rica, Mexico and Peru, and the Tresmontes Lucchetti plants in Chile are reported.

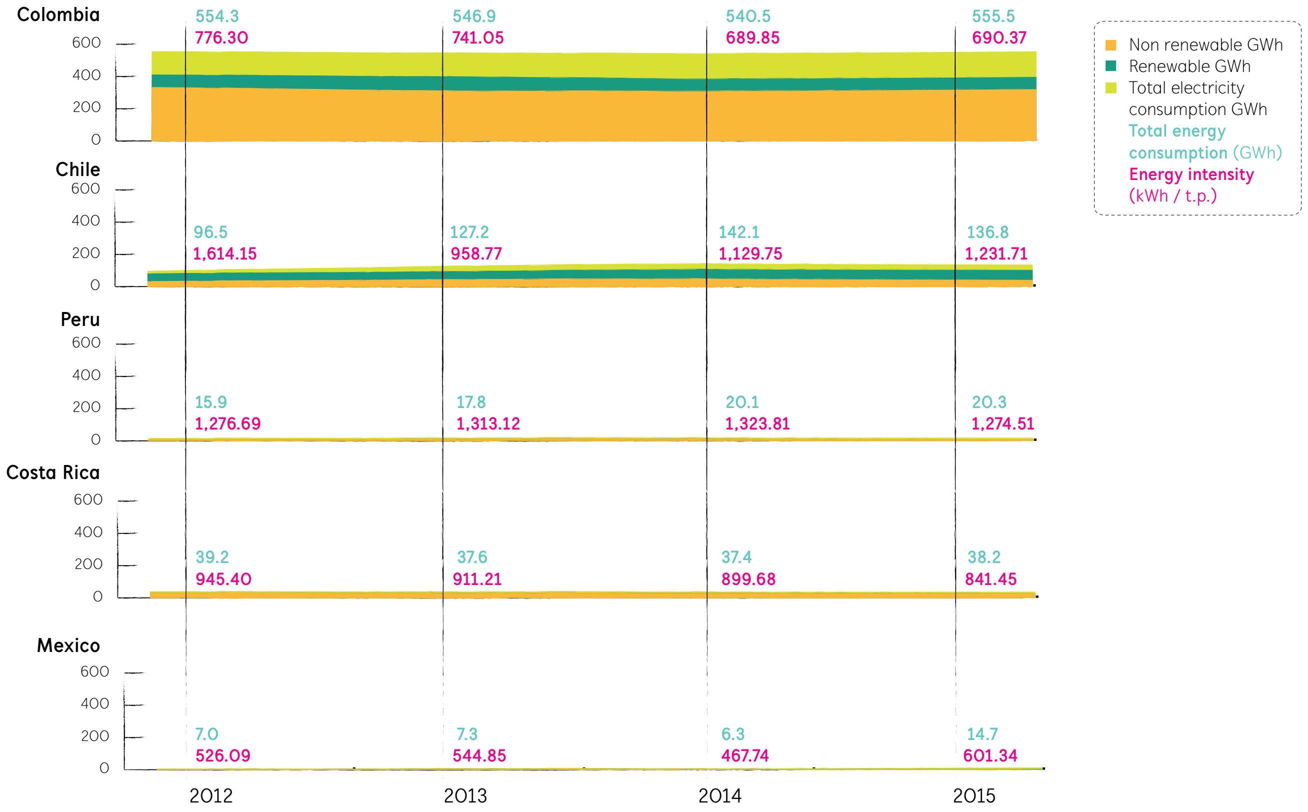
ENERGY CONSUMPTION

During 2015, weather conditions in Colombia due to the El Niño Southern Oscillation (ENSO phenomenon) affected the supply of natural gas in some production plants and it was necessary to use other fuels (LPG, crude oil, diesel, coal) to ensure the continuity of the businesses.

For this reason, energy intensity (from non–renewable thermal and electric sources) per ton produced in Colombia presented an increase of 0.61% over 2015, although a cumulative reduction of 17,7% is maintained for the period 2010–2015 in relation to the goal of a 25% reduction by 2020.

This situation caused a 1.81% increase in the consumption indicator of thermal energy from non–renewable sources (fossil fuels) compared to 2014, causing fuels – such as diesel, crude oil and coal – to present an increase of 127.3% over the year before.

Total Energy Consumption [G4-EN3] [SDG 7] [SDG 8] [SDG 12] [SDG 13]
[G4-EN5] [SDG 7] [SDG 8] [SDG 12] [SDG 13]



Electric Energy [G4-EN6]

The indicator of energy consumption (kWh/t.p.) had a 1.7% reduction over 2014; for the period 2010–2015, the cumulative reduction was 9.3%, thanks to the implementation of technological conversion projects developed in all the businesses and supported in the rationalization of consumption.

The plants continue to implement best operational practices and projects to improve energy efficiency, such as programming production processes (coordination between the Service and Production Areas), the installation of variable frequency drives in pumping and ventilation systems, the implementation of control devices in lighting, more efficient lighting systems with the combination of LED technology, inductive lighting, translucent tiles and intelligent control.

Reduction of Electric Energy Consumption
767,869 kWh

Electric energy from the Colombian national grid increased by 1,450 MWh, which means an increase of 0.9% over the 2014 net consumption.

Thermal Energy [G4-EN6]

As for thermal energy from non-renewable sources, Grupo Nutresa advanced in conversion processes and technological upgradings, process standardization, burner calibration and fuel switching, which together constitute a set of best practices adopted and shared by all the plants. This reduced the thermal energy consumption indicator (kWh/t.p.) by 21.3% for the 2010–2015 period.

Reduction of Thermal Energy Consumption
345,857 kWh

Thermal energy from non-renewable sources increased by 14,000 MWh, which means a 4.6% increase over the net 2014 consumption.

Cleaner Energies

Grupo Nutresa has an energy basket in which the use of cleaner fuels – such as electricity and natural gas – is dominant. The intensive use of biomass in the Coffee and Tresmontes Lucchetti businesses is maintained and pilot projects have been developed to use thermal solar and photovoltaic energy, in the search for cleaner alternatives to replace sources with greater environmental impact.

In industrial facilities in Colombia, 97.9% of the energy consumed comes from cleaner sources, such as natural gas, biomass, solar energy and electricity. The use of biomass represents 18.3% of the energy of the Group in Mexico, Costa Rica, Colombia, Peru and Chile.

Despite efforts to use new energy sources, the weather situation affected the availability of cleaner fuels in some areas of Colombia; to offset cuts in the supply of natural gas, fuels such as LPG, crude oil, diesel and coal increased from 0.9% to 2.1% in the energy basket.

In the search for alternative energy sources, the Chocolates plant in Costa Rica will install a biomass boiler.

Boilers with cleaner energy. Meat Foods Plant in La Ceja, Colombia.

CLIMATE CHANGE [G4-DMA]

The preservation of the environment is priority in the industrial operations of Grupo Nutresa. Forest beside the plant of Compañia Nacional de Chocolates, Rionegro, Colombia.

Purpose

To contribute to the mitigation of and adaptation to climate change through the implementation of actions aimed to reduce Greenhouse Gas (GHG) emissions, the ongoing search for greater energy efficiency, the implementation of clean technologies, the efficient use of raw materials in Grupo Nutresa operations and the evolution of products to meet the demands from a more conscious market.

Strategy	Progress 2015
Reduce GHG emissions.	A 16.4% cumulative reduction in Grupo Nutresa's corporate goal was achieved for the 2010–2015 period. These results were affected by an increase in the emission factor for electricity in Colombia.
Ensure the use of cleaner fuels in all operations.	The use of cleaner fuels (biomass, natural gas, electricity) is maintained at a superior level of 97,9% of the energy basket in Colombia. The use of biomass continues, accounting for 18.3% of the energy basket in Mexico, Costa Rica, Colombia, Peru and Chile and representing 62,807 tons of carbon–neutral (CO_2e) emissions.
Mitigate the impact of products on climate, throughout their life cycle.	The measurement of carbon footprint of the products in the TOSH biscuit line was updated. The Coffee Business continued with ICONTEC certification of neutrality in its carbon emissions associated with the roasting and grinding process, representing 5,200 tons of CO_2 e/year. The carbon neutral certification and the renewal of its neutralization were updated for the Tresmontes Lucchetti Livean line of products.

Risks and Opportunities

Climate change poses threats to the economic development of the companies; the sustained increase in global temperatures and the consequences on the frequency and intensity of weather events affect the availability of resources, which encourages governments to respond with laws regulating their use.

The vulnerability analyses on key aspects, such as availability of energy sources and raw materials, are an input to the risk management plan and determine to what extent alterations in climate parameters, physical changes and modifications in society require adaptation actions in the value chain in which business is conducted.

The Grupo Nutresa corporate model considers climate change a relevant aspect in its strategy, due to threats and opportunities posed by the economic development of the organizations, so that – initially – it has focused its management on the pursuit of greater energy efficiency and the use of cleaner technologies that lead to the reduction of greenhouse gases (GHG) in production processes and then move to offsetting.

Remarkable achievements

Compañía Nacional de Chocolates was declared a Carbon Neutral company in Costa Rica. The company updated its GHG inventory, produced a manual to declare carbon neutrality and – through energy-savings projects – estimated its reductions in CO2e. Emissions were neutralized through forestry development programs, supported by the National Fund for Forest Financing (Fondo Nacional para el Financiamiento Forestal, FONAFIFO).

Future Perspective

Climate change poses major challenges for the Grupo Nutresa companies, given their geographical location and the markets they serve; therefore, the Organization must respond proactively by developing and permanently improving its mechanisms to mitigate and adapt to this phenomenon.

In 2016, the result of the methodological revision of Carbon Pricing for Grupo Nutresa will be implemented as an alternative to fixation and embedding the carbon price in the financial evaluation, which favors projects to improve and reduce carbon emissions.

Also, it is expected to advance in the analysis of climate-change risks, especially in quantifying the financial risk and adopting the measures, timelines and estimated costs of the actions to be followed in areas where there are possible effects of climate change and/or water shortage, the impact of which can directly affect operations.

In the short term, we will continue with the technological-transformation processes, updating equipment with more efficient options, conducting energy audits, modifying production standards and eco-designing.

Finally, we will continue to expand the basis of the analysis of the carbon footprint in processes and products, which will serve as a guide to determine where is more efficient to make changes to reduce emissions. Also, the businesses will continue advancing in the implementation of emission-neutralization programs for specific products and processes.

2020 GOAL:
33% REDUCE EMISSIONS OF GREENHOUSE GASES

A noteworthy success story is the improvement in the process of centralizing refrigeration in the Cold Cut Business in Caloto, allowing it to have its **first Freon-free plant.** This generated **energy reductions estimated at 127,834 kW/year, a reduction of 25,567 kg CO2e/year and cost savings of COP 32,000 million/year.** Further, by dispensing with five Freon-refrigeration units, the emission of ozone-depleting and GHG emissions is mitigated; preventive and corrective maintenance costs of this equipment are decreased byan approximate value of COP 12,000 million/year.

Progress 2015

As a strategy by 2020, Grupo Nutresa defined corporate objectives to mitigate the impact on climate change and minimize its risks, in order to be prepared for and adapt to future changes in climate parameters and the behavior of society towards the Organization's products and services. This, through an ongoing process of surveillance and strategic monitoring to maintain the risk matrix updated for the entire strategic region and to be prepared for the timely design of strategies to adapt to climate change

2020 GOAL:
100% USE OF
CLEANER
ENERGIES

In Colombia, there is currently no binding legislative framework on carbon emissions, even though since 2012 the National Government has been reviewing a proposal to create a carbon tax that has not yet become effective.

The situation in Chile, Mexico, Costa Rica and the United States is different. While no regulations have been established on this matter in these countries, in the case of the United States there are emission–trading schemes in place and the possibility of establishing carbon taxes is being studied in several states. Mexico already has a Government initiative to put a price on carbon and Chile expects that a similar initiative will take effect between 2017 and 2018.

Financial implications and other risks and opportunities for the organization's activities due to climate change [G4-EC2] [SDG 13]

Risks and effects of regulatory changes	In the valuation exercise of corporate risk, Grupo Nutresa determined that climate change is a factor of high importance to the business, it identified scenarios in the short and medium term of creation of payments for GHG emissions. In the long term the Organization envisages that the labeling of Products Environmental Footprint (PEF), based on the life cycle analysis could be a legal barrier to coffee products, meat and pasta.
Financial implications of the risk or opportunity before action is taken	Between COP 1,785 millions and COP 8,440 millions.
Projected time frame in which the risk is expected to have substantive financial implications	5 to 7 years
Methods used to manage the risk or opportunity	See within this chapter information related to Incentives for Employees to Reduce Carbon Emissions, Corporate Carbon Pricing Model, Innovation Directed toward Low–Carbon Development and Product Carbon Footprint.
Methods used to manage the risk or opportunity	See within this chapter information related to Incentives for Employees to Reduce Carbon Emissions, Corporate Carbon Pricing Model, Innovation Directed toward Low–Carbon Development and Product Carbon Footprint
Risks and effects of weather physical changes	Due to the increasingly intense climate variations and volatility of oil prices, the Organization identified that the volatility of commodity prices could reduce profitability.
Methods used to manage the risk or opportunity	See within this chapter information related to Innovation Directed toward Low–Carbon Development and Product Carbon Footprint.
Projected time frame in which the risk is expected to have substantive financial implications	More than 6 years
Methods used to manage the risk or opportunity	See within this chapter information related to Corporate Carbon Pricing Model and Product Carbon Footprint
Risks due to changes in climate parameters	Consumers are increasingly aware of the environmental impacts of products.
Projected time frame in which the risk is expected to have substantive financial implications	1 to 5 years
Methods used to manage the risk or opportunity	See within this chapter information related to Mitigation of Environmental Impacts of Products and Services

INCENTIVES FOR EMPLOYEES TO REDUCE CARBON EMISSIONS

The Organization encourages employees in senior positions of responsibility and positions with operational responsibility to meet the strategic objectives for 2020.

In addition, Grupo Nutresa has a variable compensation system that considers key indicators, such as identifying, measuring, reducing, offsetting and mitigating GHG emissions, energy consumption and environmental initiatives that directly affect climate change and its effects. These performance indicators are part of the additional compensation for the first level of management, Operations Managers, Production Managers, Heads of Maintenance and Heads of Environmental Management.

Managing environmental indicators includes the following purposes: to reduce the consumption indicator of non-renewable thermal energy and electricity, reduce the GHG emissions per ton produced (Scopes 1 and 2) and have an energy basket in which clean energies (biomass, electricity and natural gas) are predominant.

Consequently, senior management in each business is responsible for leading the implementation and execution of projects that help to optimize energy consumption and reduce GHG emissions in the plants.

CORPORATE CARBON PRICING MODEL

During 2015, Grupo Nutresa developed a proposal of a model to assign a value to carbon emissions within the economic feasibility studies of projects. This allows direct technological upgrading toward a low-carbon industrial development. The inclusion of a carbon price for the internal assessment of CapEx projects will take place in 2016.

INNOVATION DIRECTED TOWARD LOW-CARBON DEVELOPMENT

Recognition for continuous improvement through the Innovative Success Stories program, which is part of the Imagix Model (see the chapter on Effective Innovation), where all Company employees and suppliers can participate with their ideas to improve processes and products, considers special recognition to those focused on preventing, controlling and mitigating environmental impacts, including those related to climate change.

Yariguies Farm certified in the capture of carbon emissions.

PRODUCT CARBON FOOTPRINT

The Organization progresses in calculating the carbon footprint of six product categories: biscuits, chocolates, sausages, coffee, ice cream and pastas, for more than 279 references. Additionally, the calculation and verification of the carbon footprint for 30 TOSH product references was conducted by the Colombian Institute of Technical Standards and Certification (Instituto Colombiano de Normas Técnicas y Certificación, ICONTEC), as well as the calculation and verification of the carbon footprint of the processes in the Coffee and Chocolate businesses. In addition, the carbon footprint was calculated for cold powdered beverages, with the Livean and Zuko brands.

EMISSIONS OF GREENHOUSE GASES (GHGS)

In 2015, a 16.4% cumulative reduction of the GHG emission indicator (Scopes 1 and 2) for the period 2010–2015 was achieved.

MITIGATION OF ENVIRONMENTAL IMPACTS OF PRODUCTS AND SERVICES

[G4-EN7] [SDG 7] [SDG 8] [SDG 12] [SDG 13]

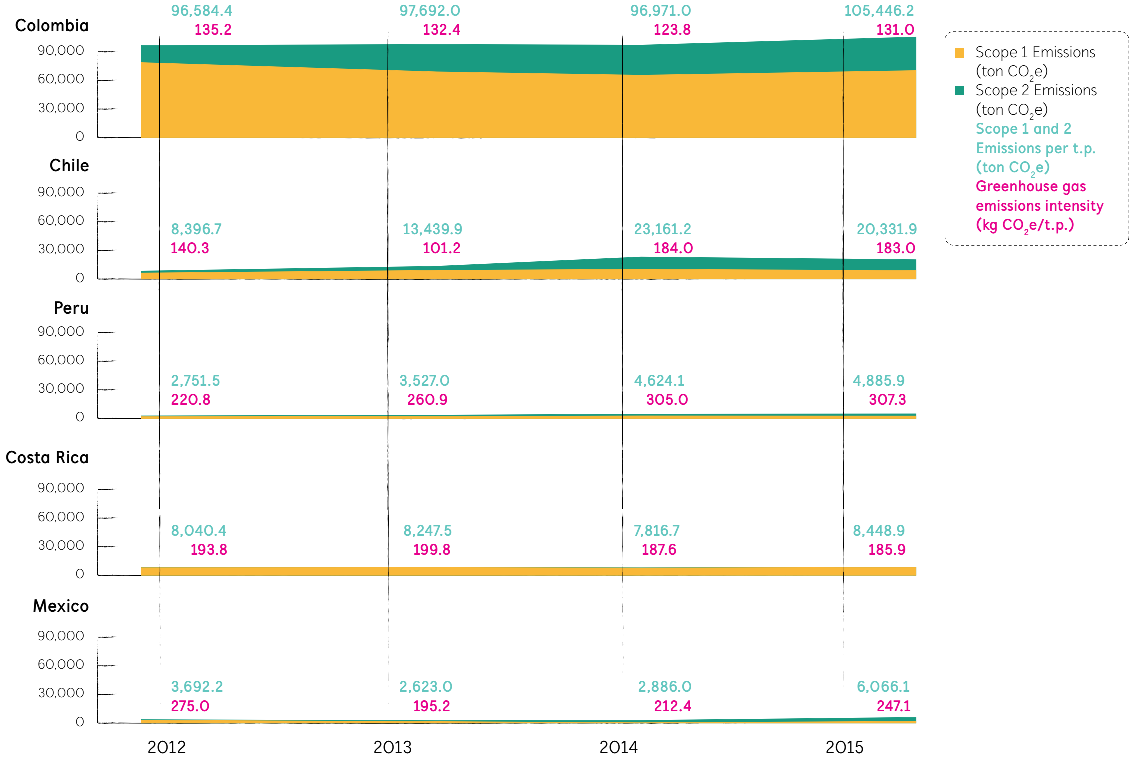
Grupo Nutresa strengthens the value proposition of its brands and products to ensure preference, satisfaction, loyalty and market leadership, as well as a better understanding of the needs of consumers, shoppers and customers. Innovation is one of the growth engines and, in this sense, it has the challenge of creating products with less impact on the environment. The following are examples of products and processes that were developed with the potential to reduce GHG emissions:

- Fast food products that are cooked in less time and require less energy.
- Products that eliminate the need for heat to achieve solubility, thus eliminating the need for energy in their preparation.
- Frozen products that are modified in the process to only need refrigeration.
- Instant beverages that remove the transported water, and therefore reduce their carbon footprint during distribution.
- Decrease in the weight of packaging, thus reducing emissions in transport and distribution.
- Avoidance of refrigerant gases with high global warming potential and usage of solar energy in freezers to store ice cream.

Direct and Indirect Emissions (Scopes 1 and 2)

[G4-EN15] [SDG 3] [SDG 12] [SDG 13] [SDG 14] [SDG 15]

[G4-EN16] [SDG 3] [SDG 12] [SDG 13] [SDG 14] [SDG 15] [G4-EN18] [SDG 3] [SDG 12] [SDG 13] [SDG 14] [SDG 15]



The emissions per ton produced in Colombia increased 5.9% over 2014, mainly due to weather conditions that affected the country and increased the emission factor of electricity by about 10%. Also, specific situations arose in the shortage of natural gas to the industrial sector, which led some plants to use less-clean fuels.

Reduction of greenhouse gas emissions [G4-EN19] [SDG 13] [SDG 14] [SDG 15]

Net Reduction of tCO$_2$e Emissions	2014	2015
Reduction in Scope 1 thermal energy consumptions	669.70	68.8
Reduction in Scope 2 electricity energy consumptions	132.40	169.7

Continuity was given to the GHG inventory in the distribution process for operations in Colombia, resulting in a total of 64,598 tons of CO$_2$e for 2015. Of this total, 21,969 tons correspond to primary transport (or distribution from the place of production to regional centers or between major cities) and 42,629 tons to secondary transport (store-to-store distribution). Of total emissions, 16% (10,365 tons of CO$_2$e) was generated by vehicles owned by Grupo Nutresa (Scope 1) while 84% by transportation suppliers (Scope 3), presenting a reduction of 16.8% over values reported in 2014.

The calculation methodology includes data on weight transported, distance traveled, type of vehicle and mode of transport according to Company dispatch records for 2015. Subsequently, each record was assigned an average yield by type of vehicle; fuel consumptions per trip were estimated according to the distance traveled.

The calculation was made according to the GHG Protocol methodology and took into account carbon dioxide (CO$_2$), Methane (CH$_4$) and nitrous oxide (N$_2$O) emissions from the burning of fossil fuels, excluding emissions associated with biofuel blending established by the Colombian Ministry of Mines and Energy, as well as emissions from leaks of refrigerant gases. GHG emissions were calculated according to emission factors of Colombian fuels (Factores de Emisión de Combustibles Colombianos, FECOC).

Sustainable Development session in Colcafé.

Panoramic picture of Molinos Plant in Santa Marta, Colombia.

OTHER INDIRECT EMISSIONS OF GHGS (SCOPE 3)

[G4-EN17] [SDG 3] [SDG 12] [SDG 13] [SDG 14] [SDG 15]

	Employee air travel (tCO_2e)	Distribution (tCO_2e)	Total GHG emissions (Scope 3) (tCO_2e)
2015	**2,745**	**64,598**	**67,343**
2014	2,334	77,680	80,014

In the same line, during 2015 the first GHG inventory was conducted for Servicios Nutresa Colombia, establishing this as the base year for subsequent measurements. The study used the ISO 14064-1 methodology and the GHG Protocol, and took into account direct Scope 1 and indirect Scope 2 emissions. Servicios Nutresa's emissions were 217 tons Co2e, of which 28 tons Co2e are direct emissions and 189 tons Co2e, indirect, corresponding to indirect emissions associated with the use of electricity.

GASES THAT DEPLETE THE OZONE LAYER [G4-EN20] [SDG 3] [SDG 12]

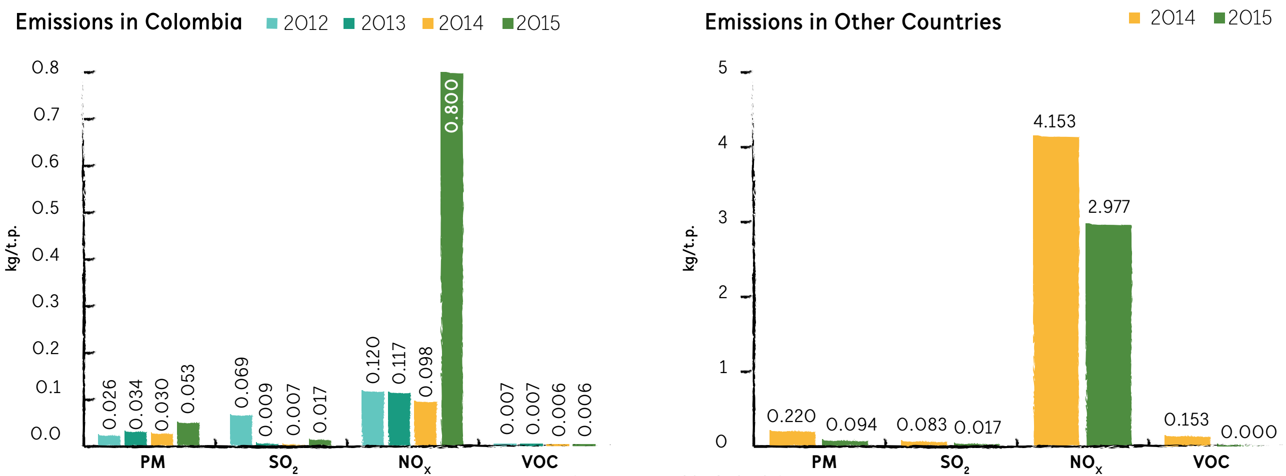
The emission of gases that deplete the ozone layer reached 0.172 tons of chlorofluorocarbons (CFC–11) equivalent gases, represented in accounting for the leakage of R–12, R–22 and R409a refrigerants. The Organization conducts preventive maintenance processes and technological upgrades to prevent the leakage of this type of gases; however, in 2015 there were leakages of the R–22 refrigerant gas.

Emissions of ozone–depleting substances are estimated with gas consumption included in the Montreal Protocol registered in weight and the emission factor relative to CFC–11, in the Organization's different plants. For mixtures, the composition is identified and emissions are estimated according to the percentage of participation of each gas included in the Protocol.

NO$_X$, SO$_2$ AND OTHER SIGNIFICANT ATMOSPHERIC EMISSIONS

[G4-EN21] [SDG 3] [SDG 12] [SDG 14] [SDG 15]

NO$_X$, SO$_2$, MP and COVs emissions in Colombia come from heating sources (furnaces and boilers) at each plant and from the coffee roasting process. Emission factors from the US Environmental Protection Agency are used.



Emissions in Colombia

Emissions in Other Countries

PM: Particulate matter/ **SO$_2$**: Sulfur Oxides
No$_x$: Nitrogen oxides / **VOC:** Volatile organic compounds

Lansdcape recovery of the Gualí Wetland by planting trees from the Sponsorship Plan of Pastas Doria. Bogotá, Colombia.

PACKAGING AND POST–CONSUMPTION [G4–DMA]

Kryzpo production line, chilean market leaders in stackable potato chips.

Purpose

To offer a portfolio of products that are more sustainable throughout their life cycle by including the principles of eco–design and extended responsibility in packaging.

Strategy	Progress 2015
Have packaging and packing eco–design processes established in operations.	The use of the DTV (Design to Value) and SCAMPER (Substitute, Combine, Adapt, Modify/Magnify, Purpose, Eliminate, Reverse/Rearrange) methodologies applied to packaging and post–consumption strategies was strengthened, obtaining savings of 277 tons.
Monitor on a regular basis the behavior of packaging consumption indicators.	The method to measure the Grupo Nutresa consumption indicator for packaging material per ton produced, including all categories of packaging, was reviewed and consolidated. From 2010 to 2015, a 8.8% reduction was achieved.
Use more sustainable materials in packagings and packing.	The consumption of more environmentally friendly materials, such as waste pulp from sugarcane to produce folding material, was increased by 75 tons. 32% of the total weight of all the corrugated material has Forest Stewardship Council (FSC) certification, ensuring that the products originate in sustainably managed forests and a 38% of recycled material.
Design and strengthen post–industrial and post–consumption management programs for packaging material aimed at closing its life cycle.	Actions aimed at reducing and using post–industrial packaging and packing material were maintained, bringing the use to 7,728 tons of this material. Tests were carried out to extend the life cycle of the packaging and packing materials in their post–consumption stage and tests were conducted on the use of packaging material in furniture and office equipment, among others.

Risks and Opportunities

Proper management of packaging for a mass-consumption company that produces processed fo is a matter of great interest, given the volume of materials that are discarded once its products have been consumed in the market and that contribute to a deterioration of natural capital.

Changes in consumer preferences that seek products whose life cycle represents a lower impact on the environment – added to the highly competitive environment where Grupo Nutresa operates – can lead competitors to develop lower-impact packaging that adds reputational value and that differentiates their brands. This may, in turn, lead to losses of the market share or restrictions to access markets with more conscious consumers, and lead the Organization to a detriment of its financial capital.

Similarly, in the strategic region where Grupo Nutresa operates, regulations have emerged around the extended responsibility of producers for packaging materials. This means that, eventually, recovery quotas will be required on post-consumption packaging material, which leads to having systems to collect packages, reverse logistics and the recycling thereof.

However, around the issue of packaging, opportunities have arisen for the Company, thanks to eco-design strategies that it has implemented and that generate decreased consumption of packagings by reducing their calibre, measured in the cuts and efficiency in industrial processes. This results in an improved environmental performance of its products, while capturing savings through the reduction of costs.

Future perspective

Nucita dosage and packaging, production plant Nutresa Mexico.

One of the principal challenges that Grupo Nutresa faces is the paradoxical situation of working permanently to reduce the consumption of packaging materials while responding to changing consumer needs that increasingly demand products packaged in smaller portions or more complex packaging.

Also, having the priority of ensuring the quality and safety of its products, Grupo Nutresa faces a low availability of packaging solutions that offer the characteristics of less environmental impact and – at the same time – protect its products with the standards required and at competitive costs. This means that, in terms of cost or technical characteristics, there is a low feasibility of replacing the packages with low biodegradability or recyclability for others with a better environmental performance.

The challenge facing the Company is to continue advancing in implementing its Sustainable Packaging Policy, while maintaining compliance of its goal by 2020 to reduce consumption of packaging material per ton produced by 12%. Also, a challenge in coming years is to strengthen the eco-design systems, reduce consumption of packaging, as well as the general implementation of the Sustainable Packaging Policy in its operations located outside of Colombia.

GOAL BY 2020:
A 12% REDUCTION OF PACKAGING
MATERIAL PRODUCED PER TON

Although in the structural development of packaging, Grupo Nutresa has always included eco-design criteria and achieved significant reductions in tons of packaging material consumed, client and consumer demands to have better displays, more segmented products and longer useful life have led to difficulties in advancing toward compliance of this indicator.

Employees in production line, Compañia de Galletas Pozuelo.

Remarkable achievements

- Grupo Nutresa obtained **the highest rating** in the results of the 2015 Dow Jones Sustainability World Index (DJSI) in the **chapter on Packaging.**

MEMBER OF
Dow Jones
Sustainability Indices
In Collaboration with RobecoSAM

- **It is highlighted as a success story, the eco–design applied in the corrugated material in a Biscuit Business reference was significant, thinking about the responsible use of resources and decreasing its consumption.** This project allowed that reference to move from a 12–unit corrugated material to one for 24 units. To implement this change, it was necessary to make adjustments in the distribution center and test the acceptancy of the mentioned change among some customers. **With this redesign of the corrugated material, it is estimated that there is a 67 ton/year reduction in packaging material consumption.**

- As another success stories, it is highlighted the project to redesign the packaging of a Coffee Business product using a lighter weight container than the previous one. This simplified the development of a tray that substituted the corrugated box to package this type of products, decreasing the consumption of corrugated cardboard. Also, the internal scoop was eliminated, as this did not generate value to the segment to which the new product was focused. In the redesigning, the plastic screw caps were seized, thus avoiding the development of a mold for this new product. **Packaging material consumption decreased by 28% per sales unit; the estimated savings were approximately 146.7 tons.**

Progress 2015

Grupo Nutresa's commitment to sustainable development in relation to the use of packaging materials and its environmental performance is reflected in its Sustainable Packaging Policy.

SUSTAINABLE PACKAGING POLICY

This policy defines corporate guidelines regarding the use of sustainable packaging materials for finished products in all Grupo Nutresa companies and considers three relevant aspects:

- **Promote the use of biodegradable, recyclable packaging materials** as part of a sustainable sourcing strategy that prefers materials manufactured from fibers from certified forests, recycled and recyclable materials.
- **Include eco-design criteria** throughout the process to develop new products and redesign existing products, favoring those with less environmental impact, while respecting the financial capital.
- **Work with suppliers** throughout the supply chain to promote best environmental practices and support strategies to close the materials cycle.

* For more information, go to:
http://www.gruponutresa.com/sites/default/files/politica_de_empaques_sostenibles_16-04-2015.pdf

REDUCING THE USE OF PACKAGING

Grupo Nutresa's goal in reducing consumption of packaging material per ton produced is 12% from 2010 to 2020. Achieving it implies great challenges, given customer and consumer trends of purchasing products packed in smaller portions, which increases the use of packaging per ton.

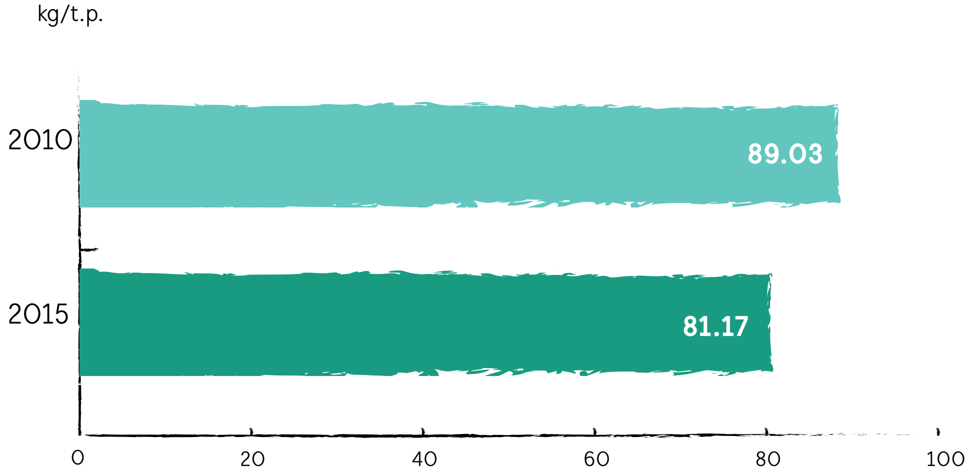
Since 2013, a systematic process was incorporated into the supply-chain strategy to identify opportunities through the Design to Value (DTV) methodology, which tries to find and conserve what consumers value, and seek alternatives around what is not valued. This methodology contributes to reducing the packaging required and replaces materials and components with those that are more environmentally friendly, reducing the Organization's impact on natural capital. For the same purpose, we are working with SCAMPER (Substitute, Combine, Adapt, Modify/Magnify, Purpose, Eliminate, Reverse/Rearrange). Thanks to this methodology, in 2015 consumption of packages was reduced by 277 tons, generating significant savings and creating financial capital.

These methodologies have managed to permeate product development from their stages of conception and design. Such is the case of the Jet Squares product, from the Chocolate Business in Colombia, in which packaging material was developed with a reduced thickness than that normally used (going from 38 to 30 microns). This reduction achieved a 21% decrease in the consumption of packaging material and a reduction of 7 kg per ton produced.

Initiatives to reduce packaging material generated a decrease of 8.8% in the consumption of packaging material per ton produced at the end of 2015 compared to 2010.

Quality control of Viena sausage packaging, Meat Business.

Consumption of Packaging Material [G4-EN1] [SDG 8] [SDG 12]



Reduction against the 2010 baseline

Goal 2020	**-12%**
2014	-5.1%
2015	-8.8%
Goal 2016	**-9.0%**

Production operator, hamburger line, Meat Business Plant. Bogotá, Colombia.

Seeking to enhance the results of the DTV methodology, Grupo Nutresa is working collaboratively with its principal strategic partners in both categories of direct and indirect materials, in order to jointly identify opportunities to optimize the use of resources. Some 50 initiatives have been identified that contributed to the environmental dimension.

The following are the DTV strategies implemented in 2015:

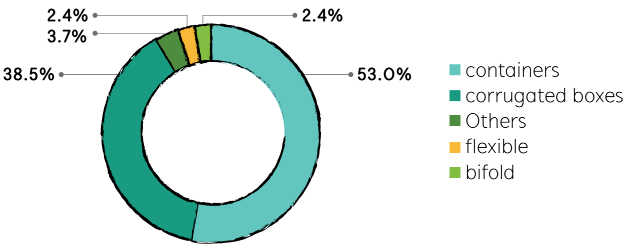
- Downgauge and packaging size reduction in cardboard for folding materials.
- Downgauge and packaging size reduction in flexible packaging materials.
- Reduced codes on cardboard boxes.
- Downgauge in Thermoforming.
- Size reduction in labels and promotional stickers.
- Replacement of film with labels for printed film.
- Replacement of corrugated boxes for cardboard trays.
- Elimination of over packagings.

As a result of implementing these initiatives, a reduction of 277 tons of packaging material was achieved, distributed in different categories [G4-EN27] [SDG 6] [SDG 8] [SDG 12] [SDG 13] [SDG 14] [SDG 15] as shown in the following graph:

Category	Total kg
Containers	146,700
Corrugated Boxes	106,670
Others	10,179
Flexible	6,655
Bifold	6,529
TOTAL	**276,733**

Business	Total kg
Coffee	146,700
Biscuit	105,000
Cold Cuts	8,924
Chocolate	8,743
Pasta	6,938
Ice Cream	427
TOTAL	**276,733**

Saving of packaging material by category



USING MORE ENVIRONMENTALLY FRIENDLY PACKAGING

Of the total material purchased, cardboard amounted to 55% in weight and achieved a total of 21,121 tons. Given its relevance, Grupo Nutresa works with suppliers of this material so that – through the seal of the Forest Stewardship Council (FSC) – the origin of their raw materials from planted forests is certified. Of the corrugated cardboard used 38% is made with recycled material. [G4-EN2] [SDG 8] [SDG 12]

Regarding flexible materials, the Research and Development Areas of the businesses conduct permanent research aimed at using materials with greater recyclability or biodegradability, as long as they meet the technical criteria for preserving the integrity and quality of the products.

These investigations are reflected in different developments, such as the case of replacing packaging materials in three Chocolate Business brands in Colombia, going from bilaminated structures to a mono–layer resin that helps recyclability.

Design Workshop in the foldable category of Tresmontes Lucchetti to identify optimization and innovation opportunities within the portfolio.

Comercial Nutresa team at point of sale.

MANAGEMENT OF POST–INDUSTRY AND POST–CONSUMPTION PACKAGING

[G4-EN28] [SDG 8] [SDG 12]

Aware of the extended responsibility regarding its products, Grupo Nutresa works continuously on the proper management of the final disposal of the post–industrial waste generated, including packaging material.

At production plants, there are programs for the integral management of waste that ensure separation at the source, classification and final disposal of the packaging materials generated in the packaging and packing operations. There is a large group of promoters in the country who use these materials to manufacture plastic hoses, pallets, stakes, furniture and plastic wooden utensils.

In 2015, packaging operations in the plants generated an average of 24.8 tons per month of post–industrial, multi–layer plastic packaging material, which was used by different suppliers. This allowed extending the life cycle of the product and reducing the deterioration of natural capital generated for the production of raw materials that are contained in these packages.

One initiative that demonstrates the implementation of post–industrial material management programs is that of the Cold Cut Business in Colombia which, during 2015, earmarked 1,559 tons of recyclable material – through an ally – for its reincorporation into production processes at Grupo Nutresa´s leading suppliers of cardboard and glass, as well as four tons for its reincorporation in glass melting plants. Similarly, in the Biscuit Business 1,295 tons of different materials were recovered – through a waste–promoter ally – for their reincorporation in the paper and plastic production processes of corrugated material and glass suppliers. Meanwhile, in the Chocolate Business, 100 tons were delivered to partners for packaging recycling and its reincorporation in developing plastic wood and recycling processes.

Additionally, in the Cold Cut Business and in La Recetta, the use of returnable plastic crates, which meet the safety and quality characteristics to pack finished products, continued. This contributed to the fact that 95% of the Cold Cut Business clients use returnable crates, which are made from 100% recycled material.

Likewise, collaborative exploration tests were begun with ProPlanet, a partner, in the search for more alternative uses of the plastic waste to ensure the closure of the flexible packaging cycle and positively impact its disposal in the market.

WASTE MANAGEMENT [G4-DMA]

Sustainability Workshop at Compañia Nacional de Chocolates.

Purpose

To diminish waste generation and increase its use in order to reduce operating costs and mitigate environmental impacts, in both direct operations and in the value chain, by extending the life cycle of materials.

Strategy	Progress 2015
Reduce waste in Grupo Nutresa company operations.	➩ For the period 2010–2015, a 8.4% reduction in total waste generation was achieved.
Decrease the production of ordinary waste that is taken to landfills.	➩ Ordinary waste was reduced by 7.3%, reducing management costs for the businesses by disposing of it in landfills and increasing the useful life of these spaces.
Increase the waste recovery to extend the life cycle of materials.	➩ We achieved a 89.5% level of Waste recovery of the ones generated in Colombia.
Strengthen the integral management of hazardous waste generated by operating activities.	➩ Non-recyclable hazardous waste was reduced by 69.2% for the period 2010–2015.

Awareness activity of waste separation. Servicios Nutresa Medellín, Colombia.

Risks and Opportunities

Solid waste management has historically been performed through a utility provider in a model in which industries pay a fee for its disposal. Given that more and more tons of waste go into available landfills, Grupo Nutresa directs its resources to work on minimizing this impact on natural capital by implementing cleaner production strategies, eco–design and eco–efficiency in its processes, to reduce disposal fees and send the least waste possible generated by its operations to landfills.

Within the integral waste management carried out today, the Organization faces several risks that affect this material issue, associated with increasing waste generation, directly related to marketing strategies that are influenced in a pattern of increasing consumption. Another risk is the loss of value of the waste, associated with the constant training and education of the community to avoid missing opportunities to reuse and recycle waste that can generate value. Finally, inadequate management of solid waste or an increase in its generation may endanger the Company's reputation and affect the image of its brands with consumers.

Future perspectives

The Organization established two goals around solid waste that imply challenges for its operations to ensure compliance. The first seeks to reduce its generation per ton produced; the second is to increase its recovery. Both goals are aimed at reducing the volume of waste sent to landfills, increasing the capacity of these spaces and reducing management costs.

2020 GOAL:
90% RECOVERY OF SOLID WASTE

Another challenge in the coming years is associated with the change in Colombian environmental legal regulations regarding sewage water, since all plants in Colombia must invest in new technologies to treat wastewater. This process will generate surplus sludge that was not considered when defining corporate goals and that could ultimately cause noncompliance in the future. Therefore, Grupo Nutresa is carrying out projects to strengthen integral waste management and contribute to its minimization, thus complying with the policies and guidelines that the Government proposes in this matter.

Remarkable achievements

Noteworthy is the **reduction in volume and costs of sludge disposal in the Chocolate Business wastewater–treatment plant in Rionegro.** This plant has a settling tank that disposes the sludge in an 8 m^3 vector vehicle. This sludge was collected directly and, therefore, used to have a very high water content. Five drying beds were built, which permitted a 34% reduction in the weight of the sludge, once dehydrated on the drying beds. Also, a **decrease in the carbon footprint associated with its transport was achieved,** since 50 trips were required for 400 m^3, with three tons of emissions annually, while – with the reduction of the weight of the sludge – only 25 trips are required, equal to 1.6 tons of CO2e annually.

Reduction of sludge volume in waste water treatment plant. Compañia Nacional de Chocolates Rionegro, Colombia.

Emulsifier for the use of organic waste. Ice Cream Business Bogotá, Medellín.

Also outstanding is **the use of organic waste from the production process in the Ice Cream Business in Bogotá.** For this, modified emulsifier equipment was purchased, according to the conditions of the waste, making better use of the organic waste, which could be reprocessed for new product formulations. Thanks to this initiative, the generation of organic liquid waste from the process – which previously represented 52% of the total waste products in the plant – **was reduced by 32%.** This decrease also reduced final disposal costs and presented a better use of testing products.

Finally the use of expanded expanded polystyrene in exports of the Chocolate and Biscuit Businesses. This material was classified as waste in the Biscuit Business plant in Medellín; but it is the same material that the Chocolate Business uses at its plant in Rionegro to protect cocoa butter while exporting. With this knowledge, it was decided to recover these material, generating savings for the Chocolate and Biscuit Businesses of COP 36 millions/year and COP 15.7 milloions/year, respectively, as well as a **365 m^3/year reduction in the generation of unusable waste.**

Progress 2015

Separation of recoverable cardboard for its use. Novaventa, Colombia.

In Grupo Nutresa, material and waste management is not only managed in the light of compliance with the legal requirements applicable to the Organization, but it increasingly focuses on the implementation of cleaner alternatives to prevent contamination and improve integral waste management, thus reducing surpluses from production processes and other waste from its source of generation. For Grupo Nutresa, the care of resources and the increase in the useful life of landfills where each business operates is vitally important.

For this reason, all the businesses have integral solid–waste management plans in their production plants and offices, aimed at reducing generation and promoting separation at the source to increase the possibility of recycling, re-using or recuperating these materials. This reduces the Organization's impacts on natural capital by extending the life cycle of materials that – once recycled – generate a much lower environmental impact.

Thanks to these efforts, for the period 2010–2015 Grupo Nutresa achieved a 8.4% decrease in total waste generation. Within this category, all surpluses from production processes, including ordinary waste, organic waste from processes, recyclables, composting and hazardous waste, are recorded.

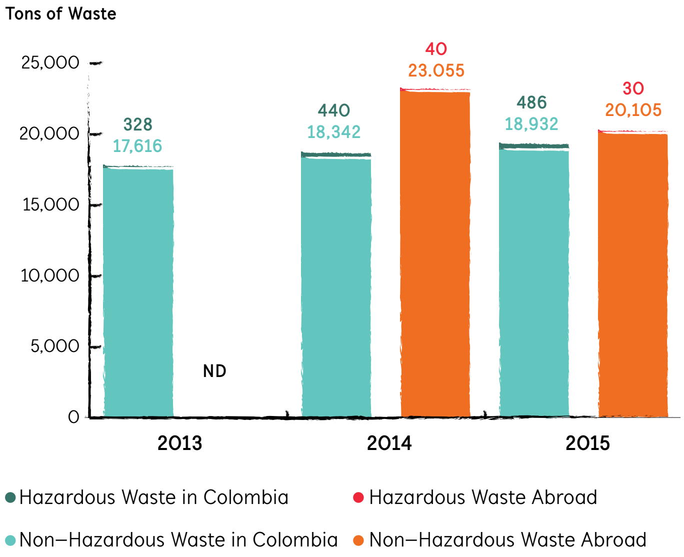
Likewise, in line with the policy on the Prevention of Contamination and Adoption of Measures to Minimize the Generation of Ordinary Waste, in each of the operations, a 40.1% reduction of waste corresponding to this category was achieved. In addition to generating profitability for the businesses and contributing to the Organization's financial capital, this result contributed to the objective of extending the useful life of landfills in the country, reducing the impact on natural capital.

Meanwhile, the waste recovery has grown in the last five years, with an increase of 10.8%, while maintaining the indicator above 85%, which contributes to the 2020 goal of reaching 90%.

This is achieved through proper separation at the source, which improves the condition and quality of the waste, and by establishing long-term partnerships with local authorized recyclers to ensure the extension of the useful life of these materials and avoid their ending up in landfills.

Total Weight of Waste

[G4-EN23] [SDG 3] [SDG 6] [SDG 12]



Waste classification inside the production processes in Colcafé. Medellín, Colombia.

FINANCIAL STATEMENTS

A FUTURE
TOGETHER

CONSOLIDATED FINANCIAL STATEMENTS

A FUTURE
TOGETHER

Statutory Auditor's Report

To the Shareholders' Meeting of
Grupo Nutresa S. A.
February 26, 2016

I have audited the consolidated statement of financial position of Grupo Nutresa S. A. at December 31, 2015, and the related statements of comprehensive income, of changes in shareholders' equity, and of cash flows for the years then ended, as well as the summary of significant accounting policies set forth in Note 3 and other explanatory notes.

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting and financial reporting standards accepted in Colombia. Such responsibility includes: Designing, implementing, and maintaining relevant internal control to the preparation and fair presentation of the financial statements that are free of material misstatements whether due to fraud or error; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

My responsibility is to express an opinion about such financial statements based on my audit. I obtained the information necessary to comply with my statutory audit functions and I performed my work in accordance with the auditing standards generally accepted in Colombia. These standards require that I plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit of financial statements involves, amongst other, performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the financial statements. In making those risk assessments, the statutory auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes assessing the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as assessing the overall presentation of the financial statements. I believe that the audit evidence I obtained provides a reasonable basis for the opinion on the financial statements I express below.

In my opinion, the aforementioned consolidated financial statements audited by me, which were faithfully taken from the accounting consolidation books, present fairly, in all material respects, the financial position of Grupo Nutresa S. A. and its subordinates at December 31, 2015, and the results of their operations and their cash flows for the years then ended, in accordance with the accounting and financial reporting standards accepted in Colombia.

Bibiana Moreno Vásquez
Statutory Auditor – Professional Card No. 167200-T
Member of PricewaterhouseCoopers Ltda.

CERTIFICATION OF THE FINANCIAL STATEMENTS

The undersigned legal representative and the General Accountant of Grupo Nutresa S. A.

CERTIFY:

February 26, 2016.

That we have previously verified all assertion, herewith contained in the Consolidated Financial Statements, as of December 31, 2015 and 2014, according to regulations, and those that have been faithfully taken from the financial statements of the Parent Company and its subsidiaries, which have been duly certified and audited.

In accordance with the above stated, regarding to the mentioned financial statements herewith mentioned, we declare the following:

1. Grupo Nutresa's Assets and liabilities, exists, and the transactions recorded were made during the corresponding years.
2. All realized economic transactions have been recorded.
3. The assets represent rights, and liabilities represent obligations, obtained or under the responsibility of the companies.
4. All elements have been recorded in the appropriate amounts, and in accordance with the generally accepted accounting principles.
5. The economic transactions that affect the companies, have been correctly classified, described and disclosed.
6. The financial statements and notes do not contain misstatements or material inaccuracies which could affect the financial position, shareholders' equity, or operations of the companies. Similarly, appropriate procedures, and financial information disclosure and control systems, have been established and maintained, to insure accurate reporting to third–party users of such information.

CIGP.

Carlos Ignacio Gallego Palacio
President

Jaime León Montoya Vásquez
General Accountant – Professional Card No. 45056-T

Certification of the financial statements Law 964 of 2005

Shareholders
Grupo Nutresa S.A.
Medellin

The undersigned Legal Representative of Grupo Nutresa S. A.

CERTIFIES:

February 26, 2016

That the financial statements and operations of the Company as of December 31, 2015 and 2014 do not contain defects, inaccuracies or errors that prevent knowing their true financial situation.

This is stated to comply with Article 46 of Law 964 of 2005.

As evidence, this is signed on the 26th day of the month of February, 2016.

CIGP.

Carlos Ignacio Gallego Palacio
President

Financial Position Statement

At December 31st of 2015, 2014, and at January 1, 2014 (Values expressed in millions of Colombian Pesos)

	Notes	2015	2014	January 1, 2014
ASSETS				
Current assets				
Cash and cash equivalents	8	$ 286.064	$ 391.863	$ 415.867
Trade and other receivables	9	878.280	739.808	714.255
Inventories	10	1.032.969	841.852	698.155
Biological assets	11	53.119	47.770	37.449
Other current assets	12	220.762	139.352	114.857
Non-current assets held for sale	13	71.679	-	-
Total current assets		**$ 2.542.873**	**$ 2.160.645**	**$ 1.980.583**
Non-current assets				
Trade and other receivables	9	26.729	23.124	21.856
Non-current, biological assets	11	5.699	4.185	2.574
Investments in associated and joint ventures	19	109.021	83.323	79.310
Other financial non-current assets	20	3.418.149	4.016.462	3.558.011
Property, plant and equipment, net	14	3.383.722	2.963.335	2.856.534
Investment properties	15	82.393	96.280	73.773
Goodwill	16	2.033.403	1.373.072	1.302.339
Other intangible assets	17	1.179.957	766.829	729.132
Deferred tax assets	18	355.461	297.783	122.394
Other assets	12	40.645	32.348	5.106
Total non-current assets		**$ 10.635.179**	**$ 9.656.741**	**$ 8.751.029**
TOTAL ASSETS		**$ 13.178.052**	**$ 11.817.386**	**$ 10.731.612**
LIABILITIES				
Current liabilities				
Financial obligations	21	1.059.660	455.480	418.135
Trade and other payables	22	825.435	656.458	593.299
Tax charges	18	172.323	150.217	175.906
Employee benefits liabilities	23	160.628	137.300	136.892
Current provisions	24	4.415	2.417	2.484
Other liabilities	25	26.641	13.885	5.410
Total current liabilities		**$ 2.249.102**	**$ 1.415.757**	**$ 1.332.126**
Non-current liabilities				
Financial obligations	21	2.034.604	1.688.797	1.598.937
Trade and other payables	22	159	159	167
Employee benefits liabilities	23	211.533	209.287	204.908
Deferred tax liabilities	18	639.810	471.713	450.146
Total non-current liabilities		**$ 2.886.106**	**$ 2.369.956**	**$ 2.254.158**
TOTAL LIABILITIES		**$ 5.135.208**	**$ 3.785.713**	**$ 3.586.284**
SHAREHOLDER EQUITY				
Share capital issued	27.1	2.301	2.301	2.301
Paid-in capital	27.1	546.832	546.832	546.832
Reserves	27.2	1.947.419	1.757.417	1.529.143
Other comprehensive income, accumulated	28	3.569.478	3.802.361	3.360.770
Retained earnings	40.3	1.514.303	1.305.618	1.686.773
Earnings for the period		428.152	587.226	
Equity attributable to the controlling interest		**$ 8.008.485**	**$ 8.001.755**	**$ 7.125.819**
Non-controlling interest	27.4	34.359	29.918	19.509
TOTAL SHAREHOLDER EQUITY		**$ 8.042.844**	**$ 8.031.673**	**$ 7.145.328**
TOTAL LIABILITIES AND EQUITY		**$ 13.178.052**	**$ 11.817.386**	**$ 10.731.612**

The notes are an integral part of the consolidated financial statements.

Jaime León Montoya Vásquez
General Accountant – Professional Card No. 45056-T
See attached certification

Carlos Ignacio Gallego Palacio
President
See attached certification

Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
Member of PricewaterhouseCoopers Ltda.
See attached certification

Comprehensive Income Statement

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

	Notes	2015	2014
Continuing operations			
Operating revenue	6	$ 7.945.417	$ 6.481.813
Cost of goods sold	30	(4.507.166)	(3.618.717)
Gross profit		$ 3.438.251	$ 2.863.096
Administrative expenses	30	(371.810)	(328.368)
Sales expenses	30	(2.144.502)	(1.709.315)
Production expenses	30	(137.446)	(135.091)
Exchange differences on operating assets and liabilities	33.2	2.619	11.406
Other operating expenses, net	31	(4.427)	(25.625)
Operating profit		$ 782.685	$ 676.103
Financial income	32	9.828	11.872
Financial expenses	32	(234.896)	(170.648)
Dividend portfolio	20	47.016	43.395
Exchange differences on non-operating assets and liabilities	33	27.181	18.479
Loss on net monetary position	29	(32.160)	(12.771)
Share of profit of associates and joint ventures	19	4.928	3.222
Other income (expenses), net		(288)	7.025
Income before tax and non-controlling interest		$ 604.294	$ 576.677
Deferred income tax	18	16.421	170.500
Current income tax	18	(183.561)	(145.647)
Profit after taxes from continuous operations		$ 437.154	$ 601.530
Discontinued operations, after income tax	34	(6.335)	(12.014)
Net profit for the year		$ 430.819	$ 589.516
Profit for the period attributable to:			
Controlling interest		$ 428.152	$ 587.226
Non-controlling interest	27.4	2.667	2.290
Net profit for the year		$ 430.819	$ 589.516
Earnings per share			
Basic, attributable to controlling interest (in Colombian pesos)	35	930,77	1.276,58
OTHER COMPREHENSIVE INCOME, NET TAXES			
Items that are not subsequently reclassified to profit and loss: Actuarial gains on defined benefit plans	28.1	$ 6.727	$ (3.522)
Equity investments measured at fair value	20	(599.282)	458.736
Income tax components that will not be reclassified		2.791	2.884
Total items that are not subsequently reclassified to profit and loss		**$ (589.764)**	**$ 458.098**
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of associate and joint ventures	19	5.939	1.520
Exchange differences on translation of foreign operations	28.4	352.864	(14.351)
Total items that are or may be subsequently reclassified to profit and loss:		**$ 358.803**	**$ (12.831)**
Other comprehensive income, after tax		$ (230.961)	$ 445.267
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		$ 199.858	$ 1.034.783
Total comprehensive income attributable to:			
Controlling interest		195.269	1.028.817
Non-controlling interest		4.589	5.966
Total comprehensive income		**$ 199.858**	**$ 1.034.783**

The notes are an integral part of the consolidated financial statements.

Jaime León Montoya Vásquez
General Accountant – Professional Card No. 45056-T
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Change in Equity Statement

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

	Share capital issued	Paid-in capital	Other reserves	Hyperinflation reserves	Accumulated results	Profit for the period	Other comprehensive income accumulated	Total equity attributable to controlling interest	Non-controlling interest	Total
Equity at January 1, 2015	**2.301**	**546.832**	**1.477.590**	**279.827**	**1.305.618**	**587.226**	**3.802.361**	**8.001.755**	**29.918**	**8.031.673**
Profit for the period						428.152		428.152	2.667	430.819
Other comprehensive income for the period, net of income tax							(232.883)	(232.883)	1.922	(230.961)
Comprehensive income for the period						**428.152**	**(232.883)**	**195.269**	**4.589**	**199.858**
Transfer to accumulated results					587.226	(587.226)				
Cash dividends (Note 27.3)					(212.577)			(212.577)	(11)	(212.588)
Appropriation of reserves			164.876		(164.876)			-		-
Tax on wealth (Note 18.7)			(24.949)					(24.949)		(24.949)
Non-controlling interest transactions								-	(137)	(137)
Revaluation of equity for hyperinflationary economies (Note 29)				49.303				49.303		49.303
Other equity movements			772		(1.088)			(316)		(316)
Equity at December 31, 2015	**2.301**	**546.832**	**1.618.289**	**329.130**	**1.514.303**	**428.152**	**3.569.478**	**8.008.485**	**34.359**	**8.042.844**
Equity at January 1, 2014	**2.301**	**546.832**	**1.292.370**	**236.773**	**1.686.773**	**-**	**3.360.770**	**7.125.819**	**19.509**	**7.145.328**
Profit for the period						587.226		587.226	2.290	589.516
Other comprehensive income for the period, net of income tax							441.591	441.591	3.676	445.267
Comprehensive income for the period						**587.226**	**441.591**	**1.028.817**	**5.966**	**1.034.783**
Cash dividends (Note 27.3)					(198.773)			(198.773)	297	(198.476)
Appropriation of reserves			181.462		(181.462)			-		-
Business combinations								-	4.212	4.212
Non-controlling interest transactions			43					43	(66)	(23)
Revaluation of equity for hyperinflationary economies (Note 29)				43.054				43.054		43.054
Other equity movements			3.715		(920)			2.795		2.795
Equity at December 31, 2014	**2.301**	**546.832**	**1.477.590**	**279.827**	**1.305.618**	**587.226**	**3.802.361**	**8.001.755**	**29.918**	**8.031.673**

The notes are an integral part of the consolidated financial statements.

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Cash-flow Statement

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

	2015	2014
Cash flow from operating activities		
Collection from sales of goods and services	$ 7.788.191	$ 6.422.123
Payments to suppliers for goods and services	(5.640.140)	(4.634.348)
Payments to and on behalf of employees	(1.290.701)	(1.070.263)
Income taxes and tax on wealth, paid	(222.143)	(197.799)
Other cash inflow	(19.669)	8.751
Net cash flow from operating activities	**$ 615.538**	**$ 528.464**
Cash flow from investment activities		
Payments to third parties for control of subsidiaries	(743.401)	(14.460)
Cash and cash equivalents from acquisitions	6.353	3.954
Purchases /sales of equity of associates and joint ventures	(14.831)	480
Sales of property, plant and equipment	9.309	3.499
Purchases of property, plant and equipment	(394.964)	(358.790)
Dividends received	46.142	42.405
Interest received	7.437	8.644
Other cash inflow	3.858	2.330
Net cash used in investment activities	**$ (1.080.097)**	**$ (311.938)**
Cash flow from financial activities		
Proceeds from loans	738.986	88.775
Dividends paid (Note 27.3)	(208.480)	(194.488)
Interest paid	(197.100)	(141.552)
Other inflows (out-flows) of cash	(15.354)	(6.248)
Net cash flow from (used in) financial activities	**$ 318.052**	**$ (253.513)**
Decrease in cash and cash equivalent from activities	**$ (146.507)**	**$ (36.987)**
Net foreign exchange differences	40.708	12.983
Net decrease cash and cash equivalents	**(105.799)**	**(24.004)**
Cash and cash equivalents at the beginning of the period	391.863	415.867
Cash and cash equivalents at the end of the period (Note 8)	**$ 286.064**	**$ 391.863**

The notes are an integral part of the consolidated financial statements.

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A MESSAGE FROM MANAGEMENT AT GRUPO NUTRESA

Monitoring management indicators

Grupo Nutresa assesses the management of sustainability on economic, social, and environmental dimensions; to measure the management in the economic dimension, indicators, such as, total sales, international sales, sales in Colombia, and EBITDA, are used.

For Grupo Nutresa, EBITDA (Earnings before Interest, Taxes, Depreciation and Amortization), is calculated by eliminating depreciation charges, amortization, and unrealized gains or losses from exchange differences in operating assets and liabilities from the operating income. It is considered that EBITDA is most significant for investors, because it provides an analysis of operating results and segment profitability, using the same measurement used by management. Likewise, EBITDA allows for comparison of the results, or benchmark with other companies in the same industry and market. EBITDA is used to track the evolvement of the business and establish operating and strategic objectives. EBITDA is commonly reported and widely used amongst analysts, investors, as well as, other stakeholders interested in the industry. EBITDA is not a measure explicitly defined as such, in IFRS, and may therefore, not be comparable with similar indicators used by other companies. EBITDA should not be considered an alternative to operating income, as an indicator of operating results, nor as an alternative to cash flow from operating activities as a measure of liquidity.

The following table details the reconciliation between the EBITDA and the operating income of Grupo Nutresa, for the period covered by these financial statements, and is as follows:

	2015	2014
Operating earnings	**782.685**	**676.103**
Depreciation and amortization (See note 3)	200.203	164.738
Unrealized exchange differences from operating assets and liabilities	(7.334)	(5.140)
EBITDA (See details by segment in note 6)	**975.554**	**835.701**

Table 1

Management of Capital

The increasing value creation is a fundamental part of the strategic objectives set by the Group. This translates into the active management of the capital structure, which balances the sustained growth of current operations, which requires constant investment in capital expenditures (Capex), and growth through acquisitions of ongoing businesses, which bring economic and strategic value to the Group.

In the allocation of resources, for both investments in fixed assets and acquisitions, the cost of capital (WACC) is used as a reference point to measure added value relevant to each type of investment, geography, and particular level of risk. In every one of our investments, the goal is to seek a return that exceeds the cost of the capital.

Similarly, for each investment various sources of funding, both internal and external, are analyzed to secure a suitable profile for the duration of that specific investment, as well as, cost optimization. In accordance, with a moderate financial risk profile, the capital structure of the Group aims towards obtaining the highest credit ratings.

NOTES

FOR THE **CONSOLIDATED** FINANCIAL STATEMENTS

For the period between January 1st and December 31st of 2015 and 2014

(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 PARENT COMPANY AND SUBSIDIARIES

Grupo 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., 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.

Below is information of subsidiaries: name, main activity, Country of Incorporation, functional currency, and percentage of shares held by Grupo Nutresa:

Entity	Main Activity	Functional Currency (2)	% Participation	
			2015	2014
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%
Litoempaques 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.	Processing and sales of mushrooms	COP	99,48%	99,48%
Alimentos Cárnicos Zona Franca Santa Fe S.A.S.	Provision of logistics services	COP	100,00%	100,00%
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%	100,00%
Fondo de Capital Privado "Cacao para el Futuro" – Compartimento A	Investment in cocoa production	COP	83,41%	83,41%
IRCC Ltda.(1)	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	-
LYC S.A.S. (1)	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	-
PJ COL S.A.S. (1)	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	-
Panero S.A.S. (1)	Production of foods and operation of food establishments providing to the consumer	COP	100,00%	-
New Brands S.A. (1)	Production of dairy and ice cream	COP	100,00%	-
Schadel Ltda. (1)	Production of dairy and its derivatives	COP	99,88%	-
Tabelco S.A.S. (1) (3)	Production of foods and operation of food establishments providing to the consumer	COP	-	-

Table 2

Entity	Main Activity	Functional Currency (2)	% Participation	
			2015	2014
Chile				
Tresmontes Lucchetti S.A.	Provision of specialized business services	CLP	100,00%	100,00%
Nutresa Chile S.A.	Management of financial resources	CLP	100,00%	100,00%
Tresmontes Lucchetti Agroindustrial S.A.	Agricultural and industrial production	CLP	100,00%	100,00%
Tresmontes Lucchetti Internacional S.A.	Sales of food products	CLP	-	100,00%
Tresmontes Lucchetti Servicios S.A.	Management of financial resources	CLP	100,00%	100,00%
Tresmontes S.A.	Production and sales of foods	CLP	100,00%	100,00%
Inmobiliaria Tresmontes Lucchetti S.A.	Management of financial resources	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 oil	CLP	50,00%	50,00%
Inmobiliaria y Rentas Tresmontes Lucchetti	Management of financial resources	CLP	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%
Industrias Lácteas de Costa Rica S.A.	Production and sales of dairy	CRC	-	100,00%
Cía. Americana de Helados S.A.	Production and ice cream sales	CRC	100,00%	100,00%
Fransouno S.A.	Production and sales of foods	CRC	-	100,00%
Helados H.D. S.A.	Production and sales of foods	CRC	-	100,00%
Americana de Alimentos Ameral S.A.	Production and sales of foods	CRC	-	100,00%
Inmobiliaria Nevada S.A.	Wide-trade exercise and industry representation	CRC	-	100,00%
Servicios Nutresa CR S.A.	Specialized business services provider	CRC	100,00%	-
Guatemala				
Comercial Pozuelo Guatemala S.A.	Distribution and sales of food products	QTZ	100,00%	100,00%
Heladera Guatemalteca S.A.	Production and sales of ice cream	QTZ	100,00%	100,00%
Distribuidora POPS S.A.	Sales of ice cream	QTZ	100,00%	100,00%
Nevada Guatemalteca S.A.	Property leasing services	QTZ	100,00%	100,00%
Guate-Pops S.A.	Employee services	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.	Employee services	MXN	100,00%	100,00%
Comercializadora Tresmontes Lucchetti S.A. de C.V.	Sales of food products	MXN	100,00%	100,00%
Servicios Tresmontes Lucchetti S.A. de C.V.	Management of financial resources	MXN	100,00%	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	Management of financial resources	MXN	100,00%	100,00%
Panama				
Promociones y Publicidad Las Américas S.A.	Management of financial resources	PAB	100,00%	100,00%
Alimentos Cárnicos de Panamá S.A.	Production of meats and its derivatives	PAB	100,00%	100,00%
Comercial Pozuelo Panamá S. A	Production of biscuits, et al.	PAB	100,00%	100,00%
American Franchising Corp. (AFC)	Management of financial resources	USD	100,00%	100,00%
Aldage, Inc. (1)	Management of financial resources	USD	100,00%	-
LYC Bay Enterprise INC. (1)	Management of financial resources	USD	100,00%	-
Sun Bay Enterprise INC. (1)	Management of financial resources	USD	100,00%	-

The United States of America				
Abimar Foods Inc.	Production and sales of food products	USD	100,00%	100,00%
POPS One LLC	Operation of food establishments providing to the consumer – Ice cream	USD	-	98,00%
POPS Two LLC	Operation of food establishments providing to the consumer – Ice cream	USD	-	98,00%
Cordialsa Usa, Inc.	Sales of food products	USD	100,00%	100,00%
Costa Rica´s Creamery LLC.	Operation of food establishments providing to the consumer – Ice cream	USD	100,00%	100,00%
Gulla Properties Development LLC. (1) (3)	Management of financial resources	USD	-	-
Heanor Consulting LLC. (1) (3)	Management of financial resources	USD	-	-
Venezuela				
Cordialsa Noel Venezuela S.A.	Sales of food products	VEI	100,00%	100,00%
Industrias Alimenticias Hermo de Venezuela	Production of foods	VEI	100,00%	100,00%

Entity	Main Activity	Country	Functional Currency	% Participation	
				2015	2014
Other Countries					
TMLUC Argentina S.A.	Production and sales of food products	Argentina	ARS	100,00%	100,00%
Corp. Distrib. 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%
TMLUC Perú S.A.	Production and sales of foods	Peru	PEN	100,00%	100,00%
Cordialsa Boricua Empaque, Inc.	Sales of food products	Puerto Rico	USD	-	100,00%
Helados Bon	Production and sales of ice cream, beverages and dairy, et al.	Dominican Republic	DOP	81,18%	81,18%
Gabon Capital LTD. (1)	Management of financial resources	BVI	USD	100.00%	-
Baton Rouge Holdings LTD. (1)	Management of financial resources	BVI	USD	100.00%	-
Ellenbrook Holdings Limited (1)	Management of financial resources	BVI	USD	100.00%	-
Perlita Investments LTD. (1)	Management of financial resources	BVI	USD	100.00%	-
El Corral Investments INC (1)	Management of financial resources and franchises	BVI	USD	100,00%	-

(1) Companies incorporated as part of the business combination of Grupo El Corral, realized in February 2015 (See Note 5).

(2) See Note 34.1 for descriptions of abbreviations for each currency and the primary impact on Grupo Nutresa's financial statements.

(3) At December 31, 2015, Grupo Nutresa possesses no participation, direct or indirect, over these companies; however, there does exist a private stakeholders' agreement, derived from the adquisition of Grupo El Corral, in which control over the relevant decision making, of these companies, is granted to Grupo Nutresa.

Changes in the scope of consolidation
The following are the changes in consolidation parameters, during the period:

2015: The acquisition of Grupo El Corral was executed and the assets and liabilities, representing the companies acquired to February 28, 2015, as well as, its results, as of March 1, 2015 were incorporated into Grupo Nutresa's consolidates statements. In June, Servicios Nutresa CR S.A. was registered in Costa Rica. In August, a merger between Americana de Alimentos Ameral S.A. and Helados H.D. S.A., with Industrias Lácteas de Costa Rica S.A. was executed, leaving the latter active; similarly, Fransouno S.A. and Inmobiliaria Nevada S.A. were merged with Cía. Americana de Helados S.A., the latter active to date. In the U.S., the companies, POPS One LLC and POPS Two LLC, were liquidated. In September, Tresmontes Lucchetti Internacional S.A. and Tresmontes Lucchetti S.A. were merged. In November, Industrias Lácteas de Costa Rica was absorbed by Compañía Americana de Helados S.A. (American Ice Cream Co. Inc.), leaving the latter active.

2014: Control of the "Fondo de Cacao" was obtained, an entity, over which, Grupo Nutresa had significant influence, and for which *the equity method* was applied until March 2014. The assets and liabilities of the subsidiary are incorporated into the consolidated financial statement of Grupo Nutresa as of March 31, 2014, and profit and loss, as of April 1, 2014. In the second quarter of 2014, as part of corporate restructuring in Chile, there was a spinoff of Tresmontes Lucchetti S.A., resulting in a new company called Tresmontes Lucchetti Dos S.A. and a new company, called Servicios Industriales S.A. de C.V., was established in Mexico. In September, Opperar Colombia S.A.S. was created in Colombia. As a result of corporate restructuring in Chile during the last quarter of the year, Tresmontes Lucchetti S.A. absorbs Tresmontes Lucchetti International S.A. (Newco), Lucchetti Chile S.A. (Newco) absorbs Inversiones and Servicios Tresmontes Ltda., Inversiones Agroindustrial S.A. absorbs Inversiones Agroindustrial Ltda., Lucchetti Chile S.A. (Newco) absorbs Deshidratados S.A., Tresmontes Lucchetti S.A. absorbs Envasadora de Aceites S.A., Nutresa Chile S.A. absorbs Inversiones Agroindustrial S.A. (Newco), Tresmontes S.A. absorbs Tresmontes S.A., and Inmobiliaria Tresmontes Lucchetti S.A. (Newco) absorbs Inmobiliaria Tresmontes Luchetti S.A.

NOTE 2.
BASIS OF PREPARATION

Grupo Nutresa´s consolidated financial statements, for the period between January 1st and December 31st of 2015, were prepared in accordance with the International Financial Reporting Standards (hereinafter IFRS), issued by the International Accounting Standards Board, (hereinafter IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (hereinafter IFRIC), and approved in Colombia through Decree 2784 of 2012, Decree 3023 of 2013, Decree 2420 of 2015, its regulations, and other accounting standards issued by the Financial Superintendence of Colombia.

Grupo Nutresa prepared the consolidated financial statements to December 31, 2014, applying the principles generally accepted in Colombia; the Financial Statements at December 31, 2015 are the first financial statements prepared in accordance with the financial information norms approved in Colombia, based upon IFRS; See Note 40- "Transition to International Financial Reporting Standards", for more details regarding the impact of First-time Adoption of IFRS for Grupo Nutresa.

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 policies herewith. The carrying value of recognized assets and liabilities that have been designated as hedged items in fair value hedges, 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 are presented in Colombian Pesos, which is both the functional and presentation currency of Grupo Nutresa S.A. These figures are expressed as millions of Colombian Pesos, except for net earnings per share and the representative market exchange rates, which are expressed as Colombian Pesos, and other currencies [E.g. USD, Euros , Pounds Sterling , among others], 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 S.A.´s financial information, as well as, its subsidiaries, to December 31, 2015 and its corresponding comparative financial information. A subsidiary is an entity controlled by one of the companies that composes 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 significant transactions between companies and the unrealized profits or losses, are eliminated in the consolidation process.

The consolidated statements, from the date of acquisition until the date that Grupo Nutresa loses its control, are included in the financial statements of subsidiaries; any residual interest that is retained is measured at fair value; the gains or losses arising from this measurement are recognized in the results for that period.

Consolidation of companies in which Grupo Nutresa owns less than the majority of voting rights:

The Group considers to exercise 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 Direction of Novaceites S.A., apprised of 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.

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 minority interests transactions, as transactions with Shareholders of the Company. When carrying out 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; 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 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 statement, 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 corresponding to Grupo Nutresa of profit and loss obtained from the measurement 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 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 portion of profit and loss of an associate or joint venture is presented in the statement of comprehensive income, in the results section 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 consolidated comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized by reducing the carrying 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 carrying 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 in that period.

3.3 SIGNIFICANT ACCOUNTING POLICIES

Grupo Nutresa and its subsidiaries apply the following significant accounting policies in the preparation of the consolidated financial statements:

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 acquisition are recognized at fair value at the date of acquisition; acquisition costs are recognized in profit and loss and goodwill as an asset in the consolidated statement of financial position.

The consideration transferred is measured as the value added of the fair value at the date of acquisition, of assets given, and liabilities incurred or assumed, and equity instruments issued by Grupo Nutresa, including any contingent consideration, for obtaining control 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 current earnings or other comprehensive income, accordingly. In 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 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 acquisition, 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 carrying value of the operation when determining the gain or loss upon disposal of the operation. Goodwill written off is determined based upon the percentage of the operation sold, which is the ratio of the book value of the operation sold and the book value of the cash-generating unit.

3.3.2 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 entity responsible for certifying this information; non-monetary items that are measured at fair value are converted 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 revenue 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.

For the presentation of Grupo Nutresa's consolidated financial statements, the financial condition and results of entities whose functional currency is different from the presentation currency of the Company 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.

In companies whose economy has been classified as hyperinflationary, assets, liabilities, income, and expenses are translated at the end of period exchange rates.

Exchange differences, arising from translation of foreign operations, 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 current amount of other comprehensive income that relates to the foreign operation is recognized in the period results.

(a) Restated financial statements in hyperinflationary economies

The financial statements of subsidiaries whose functional currency is the currency of a hyperinflationary economy, including comparative information restated in terms of the measuring unit current at the date of closing of the reporting period is reported before being converted into pesos for consolidation. Gains or losses, on the net monetary position, are included in profit or loss.

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 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 restated to recognize its fair value at the date of each accounting year.

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 (less) 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, on specific dates, cash flows that are solely for payments of principal and interest on the outstanding principal value. Notwithstanding the foregoing, Grupo Nutresa designates a financial asset as irrevocably measured at fair value through profit and loss.

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.

(ii) Financial assets measured at fair value

The financial assets, different from those measured at amortized cost are subsequently measured at fair value, with changes recognized in profit and loss. However, for investments in equity instruments that are not held for trading purposes, Grupo Nutresa irrevocably chooses to present gains and losses on the fair value measurement in other comprehensive income. On disposal of investments at fair value, through other comprehensive income, the accumulated value of the OCI is transferred directly to retained earnings and are not reclassified to profit and loss, in that period. Cash dividends received from these investments are recognized in the statement of comprehensive income, in the profit and loss of that period.

The fair values of quoted investments are based on the current trading prices.

Financial assets measured at fair value are not tested for impairment.

(iii) Impairment of financial assets at amortized cost

Financial assets measured at amortized cost are evaluated for indicators of impairment at each balance sheet date. Financial assets are impaired when there exists, objective evidence, that, as a result of one or more events occurring after the initial recognition of the financial asset, the estimated future flows of the financial asset, (or group of financial assets) have been affected.

The criteria used to determine if there is objective evidence of impairment losses, includes:

- significant financial difficulty of the issuer or counterparty
- non-payment of principal and interest
- probability that the lender will declare bankruptcy or financial reorganization

The amount of the impairment is the difference between the carrying value of the asset, and the present value of estimated futurecash flows, discounted at the original effective rate of the financial asset. The carrying value of the asset is reduced and the amount of the loss and is recognized in profit and losses.

(iv) Derecognition

A financial asset or a part of it, is dropped 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 discharged 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, it is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying value is recognized in the statement of comprehensive income in profit and loss.

(v) 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 risks.

Financial obligations obtained by resources, be it from credit institutions or other financial institutions in the country or abroad, are classified as financial liabilities obligations.

(vi) Off-setting financial instruments

Financial assets and financial liabilities are offset so that the net value is reported on the consolidated statement of financial position, 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.

(vii) 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 liabilities. 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.

Hedges which meet the strict criteria required for hedge accounting are accounted for as follows:

Fair value hedges: The Group uses these hedges to mitigate the risks of exchange rates and interest rates on recognized assets and liabilities. Changes in the fair value of the hedging instruments are recognized in the income statement, as financial expense, and the hedged item is adjusted for the hedged risk and any gain or loss is recognized in the income statement as financial expense.

Cash flow hedges: the effective portion of changes in fair value of the hedging instrument is recognized in other comprehensive income, while any ineffective portion is recognized immediately in profit or loss. When the hedged item results in the recognition of a non-financial asset or liability, the gains and losses previously recognized in other comprehensive income, are included in the cost of the asset or liability. Otherwise, gains or losses recognized in other comprehensive income are transferred to the income statement when the hedged item affects profit or loss.

Net investment hedges: Changes in fair value of the hedging instrument are recognized directly in other comprehensive income, as well as, gains or losses from the translation of a foreign operation, until the sale or disposition of the investment.

3.3.5 INVENTORIES

Assets held for sale in the ordinary course of business, or in the process of production for such 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 lower of, acquisition or manufacturing cost, or net realizable value. Cost is determined using the *average cost method.* Net realizable value is the estimated selling price of inventory in the ordinary course of operations, less the applicable variable sales expenses.

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 make 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, they are 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 operation of the entity.

Fixed assets are measured at cost, net of accumulated depreciation, and accumulated loss impairment, 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, borrowing costs 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 accordingly. Likewise, when a major inspection is performed, its cost is recognized as a replacement of the carrying 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 depreciated for the shortest period between the useful life of the improvements made or the lease term.

Depreciation starts 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 (*)	10 to 40 years
Minor equipment - operating	2 to 10 years
Transport equipment	3 to 10 years
Communication and computer equipment	3 to 10 years
Furniture, fixtures and 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 in which the consumption of the economic benefits of the asset, is reflected.

The residual values, useful lives, and depreciation methods of assets are reviewed and adjusted prospectively at year-end, in cases where it is required.

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 terminating the asset (calculated as the difference between the net income from the sale and the carrying value of the asset) is included in the income statement when the asset is written off.

3.3.8 INVESTMENT PROPERTIES

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 self-constructed investment property is its cost at the date when the construction or development is complete.

Subsequent to initial recognition, investment properties are measured at net cost of accumulated depreciation and loss accumulated impairment loses, if any.

Depreciation is calculated linearly over the asset's useful life, 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 decommissioned.

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, taken into account in subsequent accounting, is the book value at the date of change use.

3.3.9 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 carried 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 evaluated 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 treated as changes in accounting estimates. Amortization expenses of intangible assets with finite useful lives are recognized in the statement of comprehensive income. The useful life of an intangible assets with a finite life is between 3 and 100 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.

Gains or losses that arise when an intangible asset is written off are measured as the difference between the value obtained in the provision and the carrying value of the asset, and are recognized in the statement of comprehensive income in profit and loss.

Research and development costs

Research costs are expensed as they are incurred. The expenditures directly 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, the asset development expenditure is 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.

3.3.10 IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, Grupo Nutresa assesses if there is any indication that an asset may be impaired in value. Grupo Nutresa 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 has defined as a cash-generating unit, the entities legally constituted as dedicated to production, assigning to each of them the net assets of the entities legally constituted dedicated to services rendered to the productive units (in a traversal or individual manner). The impairment assessment is realized at the CGU level or group of CGUs that contain the asset to assess.

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, 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. An appropriate valuation model is used to determine the fair value minus the cost to sell.

The impairment losses of continuing operations are recognized in the statement of comprehensive income, in the profit and loss section 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, an assessment of whether there is any indication that impairment losses previously recognized value no longer exist 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 carrying value of the asset does not exceed its recoverable amount, nor does it exceed the carrying 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 statement of comprehensive income in profit and loss.

3.3.11 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 each of the countries where Grupo Nutresa´s companies 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 affected 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.

(ii) Deferred

Deferred income tax is recognized using *the liability* method and is calculated on temporary differences between the carrying value of assets and liabilities in the statement of financial positions 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 affected 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 subsidiaries, 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 subsidiaries, 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.

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 income will be available, in part or in totality, of the deferred tax asset, to be used. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable income will be recoverable.

Deferred assets and liabilities 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 tax rates and tax rules that were approved at the date of filing, or whose approval will be nearing completion by that date.

Deferred assets and liabilities taxes are offset if there is a legally enforceable right to do so, and are with the same taxation authority.

Deferred tax is recognized in profit and loss, except when relating to items recognized outside profit and loss, in which case will be presented in other comprehensive income or directly in equity.

The assets and current liabilities for income tax also are 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.

b) Income tax for equity CREE

The income tax for equity – CREE, applicable to Colombian Companies, is the assessment for taxpaying legal entities to contribute to the employee benefits, employment, and social investment.

The basis for determining the income tax for equity– CREE, cannot be less than 3% of the net fiscal equity on the last day of the immediately preceding fiscal year.

The income tax for equity-"CREE" applies a fee of 9% under the Law 1739 December 2014.

During the years 2015, 2016, 2017 and 2018, the Law 1739 of December 23, 2014, establishes a surcharge on income tax for equity - CREE, which is at the responsibility of the taxpayer of this tax and is applied to a taxable base in excess of $800 COP, at rates of 5%, 6%, 8%, and 9% per year, respectively.

The tax base of income tax for equity- CREE, is established by subtracting from the gross income likely to increase the fiscal equity, the returns, rebates and discounts, and those thus obtained, will be subtracted from those which correspond to the non-constituted income established in the Tax Code. Net income, thus obtained, total costs and applicable tax deductions, will be subtracted, and may be subtracted from the exempted income exhaustively fixed, according to tax regulations.

c) Tax on wealth

The tax burden of the "wealth tax" is originated, for Colombian Companies, from possession of the same to the January 1st of the years 2015, 2016, and 2017, by taxpayers. Therefore, those taxpayers with gross assets minus debts, whose value exceeds $1.000, should determine their tax under the conditions established in the tax regulations.

According to the provisions of Article 6 of Law 1739 of 2014, which adds article 297-2 of the tax statute, the accrual of wealth tax will take place on January 1st of the years 2015, 2016, and 2017, and will be allocated to capital reserves without affecting net income, in accordance with Article 10 of the same law.

3.3.12 EMPLOYEE BENEFITS

a) Short-term benefits

They are, (other than termination benefits), benefits expected to be settled wholly, 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, 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 employees 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 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) Pension and other post-employment benefits

i) Defined contribution plans

Contributions to defined contribution plans are recognized as expenses in the statement of comprehensive income in profit and loss, 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 constructive obligation for the payment of benefits. Subsidiary companies domiciled in Colombia, Ecuador, Mexico, and Peru, have actuarial liability as required by law.

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 current earnings 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.

3.3.13 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 constructive 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 result 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 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 liabilitiest.

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 contingent assets is certain then it is recognized assets and income for that period.

3.3.14 REVENUE

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be measured reliably.

The specific recognition criteria listed below must also be met for revenue to be recognized:

a) Sale of goods

The revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been substantially transferred to the buyer.

b) Services

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) Interest

For all financial instruments measured at amortized cost, interest income, or expense, is recognized with the effective interest rate method. 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 carrying value of the financial asset or financial liability.

d) Dividend income

This revenue 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 allshareholders, in the same proportion in stocks of the issuer.

3.3.15 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 in production expenses.

3.3.16 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, 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 asset.

3.3.17 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 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.

Note 37 provides detailed information about the assets measured at fair value and the methodology of valuation used.

3.3.18 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; financial information is presented separately; the other segments are grouped in categories called "Other segments".

3.3.19 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 September 30, 2015 and 2014, is 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.

3.3.20 RELATIVE IMPORTANCE OR MATERIALITY

Information is material or has relative importance, if it can, individually, or collectively, influence the economic decisions taken by users, based on the financial statements. Materiality depends on the size and nature of error or inaccuracy and prosecuted depending on the particular circumstances in which they are produced. The size or nature of the item, or a combination of both, could be the determining factor.

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. The Group bases its assumptions and estimates, considering all parameters available at the time of preparation of the consolidated financial statements. 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 consolidated financial statements: classification of leases (Note 26), discontinued operations (Note 34), consolidation of companies over which the Group owns less than a majority of the voting rights (Note 3.1.1), income tax and CREE (Note 18), employee benefits (Note 23), impairment of non-financial assets (Note 16 and 17), useful life and residual value of property, plant and equipment and intangibles (Note 14, 15 and 17), recoverability of deferred tax assets (Note 18), classification of Venezuela as a hyperinflationary economy (Note 29).

NOTE 5.

BUSINESS COMBINATIONS

5.1 BUSINESS COMBINATIONS REALIZED DURING THE CURRENT PERIOD

The February 19, 2015 the share purchase agreement was finalized at $743.401 in which Grupo Nutresa acquired 100% of the outstanding shares of Aldage, INC., owners of Colombian Companies that make up Grupo El Corral. The operation was financed with domestic bank loans of $685.000 and Grupo resources.

Grupo El Coral is the leader of retail foods in Colombia, with a total of 355 POS in the segment "fast casual" of hamburgers, with the brand El Corral, and in "casual dining" with its restaurants El Corral Gourmet, Leños y Carbón and Leños Gourmet. In addition to operating these chains, Grupo El Coral, operates international leading brands like Papa John's (pizza), Yogen Fruz (frozen yogurt), Krispy Kreme (donuts), and Taco Bell (Mexican food).

Grupo El Corral includes the following companies:

Entity	Main Activity	Country of Constitution	Functional Currency	% Participation Grupo Nutresa
Aldage, Inc.	Administration of Investments	Panama	USD	100,00%
Gabon Capital Ltd.	Administration of Investments	BVI	USD	100,00%
Baton Rouge Holdings Ltd.	Administration of Investments	BVI	USD	100,00%
LyC Bay Enterprises Inc.	Administration of Investments	Panama	USD	100,00%
Sun Bay Enterprises Inc.	Administration of Investments	Panama	USD	100,00%
Ellenbrook Holdings Limited	Administration of Investments	BVI	USD	100,00%
Perlita Investments Ltd.	Administration of Investments	BVI	USD	100,00%
El Corral Investments Inc.	Administration of Investments	BVI	USD	100,00%
Gulla Properties Development LLC. (1)	Administration of Investments	USA	USD	-
Heanor Consulting LLC. (1)	Administration of Investments	USA	USD	-
Industria de Restaurantes Casuales Ltda. – IRCC	Food production and operation of retail food establishments	Colombia	COP	100,00%
LyC S.A.S.	Food production and operation of retail food establishments	Colombia	COP	100,00%
PJ Col S.A.S.	Food production and operation of retail food establishments	Colombia	COP	100,00%
Panero S.A.S.	Food production and operation of retail food establishments	Colombia	COP	100,00%
New Brands S.A.	Production of dairy and ice cream	Colombia	COP	100,00%
Schadel Ltda.	Production of dairy and its derivatives	Colombia	COP	99,88%
Tabelco S.A.S. (1)	Food production and operation of retail food establishments	Colombia	COP	-

Table 4

(1) At December 31, 2015, Grupo Nutresa possesses no participation, direct or indirect, over these companies; however, there does exist a private stakeholders' agreement, derived from the acquisition of Grupo El Corral, in which control over the relevant decision making, of these companies, is granted to Grupo Nutresa.

The breakdown of the book value at the acquisition date, of net assets acquired as part of the business combination and goodwill is as follows:

Current assets	61.248
Non-current assets	484.151
Identifiable assets	**545.399**
Current liabilities	56.308
Non-current liabilities	280.501
Assumed liabilities	**336.809**
Total net assets acquired	**208.590**
Consideration transferred	743.401
Goodwill	**534.811**

Table 5

The goodwill recognized as $534.811 is allocated to the Retail Foods Segment and is not deductible from income tax, under the current tax regulations in Colombia.

The Group has opted to measure the non-controlling interest in the acquired at the value of the proportionate share of the net assets; which, at the date of acquisition is $13.

Neither contingent consideration arrangements nor indemnification assets are identified.

Revenue from the ordinary activities and results of Grupo El Coral during the period are:

From 01/03/2015 until 31/12/2015	
Revenue	371.926
Profit and loss	22.897
From 01/01/2015 until 31/12/2015	
Revenue	436.860
Profit and loss	24.161

Table 6

5.2 BUSINESS COMBINATIONS OF PRIOR PERIODS

In March 2014, Grupo Nutresa S.A., through its subsidiary Compañía Nacional de Chocolates S.A.S., acquires 69,59% stake in the private equity "Cacao para el Futuro" - Compartmento A for $14.460, which added to a previously held equity interest of 13,82%, reaches 83,41% which gives Grupo Nutresa the control of the relevant activities of the Fund. The acquisition was made through the direct purchase to other investors.

This entity is a private investment fund managed by BTG Pactual S.A., stock brokers; its purpose is the management of private capital to boost the national cocoa production industry, access to new local sources of quality raw material and competitive prices, promote the transfer of knowledge and provide stable employment for rural cocoa families. The managing partner of the fund is Laurel SGP S.A.S., which specializes in structuring and managing private equity funds, and with experience in the development of cocoa crops.

Before the acquisition, Compañía Nacional de Chocolates S.A.S. accounted their investment in the "Fondo de Cacao", at fair value through profit or loss, which at the date of the acquisition was $3.567.

The Group has elected to measure the non-controlling interest in the acquired, at the value of the proportionate share in net assets; which amounts to the acquisition date for $4.212.

The values incorporated in the consolidated financial statements of Grupo Nutresa as part of the business combination are as follows:

Current assets	3.981
Non-current assets	21.460
Current liabilities	(51)
Total net assets acquired	**25.390**
Non-controlling Interest	4.212
Fair value of shares previously held	3.567
Consideration transferred	14.460
Gains on investments purchases	**3.151**

Table 7

The gains on the purchase of investments are presented in profit and loss, as other income and expenses.

NOTE 6.

OPERATING SEGMENTS

Grupo Nutresa`s operating segments reflect its structure and how the administration, in particular the Board of Directors, evaluates the financial information for decision-making in operational matters. For the administration, businesses are considered by combining geographic areas and types of products. The segments for which financial information are presented are as follows:

- **Cold Cuts:** Production and sale of processed meats (sausage, pepperoni, and bologna burgers), matured meat (ham, Spanish chorizo, salami), ready to meals, canned foods and mushrooms
- **Biscuits:** Production and marketing of sweet biscuits flavored lines, with crème filling and salted wafers like crackers
- **Chocolate:** Production and sale of chocolate bars, chocolate (bars and milk modifiers), chocolate candies, granola bars, and nuts
- **TMLUC:** Stands for Tresmontes Lucchetti, a business unit that produces and sales: instant cold drinks, pasta, coffee, snacks, edible oil, juice, soups, dessert, and tea
- **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, are restaurants and Ice cream parlors, where hamburger products, prepared meats, 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
- **Pasta:** Produced and marketed as short, long, egg with vegetables, butter, and instant pasta

The Board of Directors monitors the operating results of business units separately, for the purpose of making decisions about allocating resources and assessing financial performance. The financial performance of the segments is evaluated, on the basis of sales and EBITDA, which are measured uniformly with the consolidated financial statements. Financing operations, investment, and tax management are managed centrally, and therefore, are not allocated to operating segment.

The Management Reports and the ones generated by accountancy of the Company, use the same policies as described in the note of accounting criteria, and there are no differences 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 sale price between segments is the cost of the product, plus a profit margin. These transactions are eliminated in the consolidation of financial statements.

Assets and liabilities are managed on a consolidated basis, and by the administration of each of the Grupo Nutresa Companies; no segment allocation is performed.

There are no individual customers whose transactions represent more than 10% of Grupo Nutresa's revenue.

6.1 INFORMATION ON FINANCIAL PERFORMANCE BY SEGMENT:

a) Ordinary income by segments

	External clients		Inter-segments		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**
Cold Cuts	1.908.524	1.744.593	623	911	1.909.147	1.745.504
Biscuits	1.566.841	1.245.748	14.475	13.579	1.581.316	1.259.327
Chocolate	1.268.153	1.068.390	13.836	13.958	1.281.989	1.082.348
Coffee	891.103	772.318	3.304	1.853	894.407	774.171
TMLUC	896.403	737.727			896.403	737.727
Ice Cream	443.737	422.069	752	262	444.489	422.331
Pasta	257.928	237.346	548	1.044	258.476	238.390
Retail food	542.296	115.466			542.296	115.466
Others	170.432	138.156			170.432	138.156
Total segments	**7.945.417**	**6.481.813**	**33.538**	**31.607**	**7.978.955**	**6.513.420**
Adjustments and eliminations					(33.538)	(31.607)
Consolidated					**7.945.417**	**6.481.813**

Table 8

b) EBITDA

	Operating Profit		Depreciation and Amortization		Unrealized Exchange Differences From Operating Assets And Liabilities		EBITDA	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Cold Cuts	209.334	188.783	31.933	28.281	(9.046)	(5.922)	232.221	211.142
Biscuits	160.332	145.485	25.132	23.535	544	19	186.008	169.039
Chocolate	93.240	91.075	31.399	27.999	(424)	729	124.215	119.803
Coffee	133.847	129.206	20.269	19.128	1.329	(1.679)	155.445	146.655
TMLUC	63.110	62.377	30.438	18.305	502	1.419	94.050	82.101
Ice Cream	30.414	24.802	31.005	32.368	(277)	211	61.142	57.381
Pasta	18.972	15.460	7.112	6.902	(164)	(1)	25.920	22.361
Retail food	73.068	14.558	20.392	3.313	30	4	93.490	17.875
Others	368	4.357	2.523	4.907	172	80	3.063	9.344
Total segments	**782.685**	**676.103**	**200.203**	**164.738**	**(7.334)**	**(5.140)**	**975.554**	**835.701**

Table 9

6.2 INFORMATION BY GEOGRAPHICAL LOCATIONS

The breakdown of sales to external customers is herewith detailed by major geographical locations where the Group operates, and is as follows:

	2015	2014
Colombia	4.915.836	4.186.809
Central America	731.212	477.504
United States	649.077	457.505
Chile	575.927	492.421
Mexico	295.659	236.225
Venezuela	230.108	217.603
Peru	164.377	127.317
Ecuador	113.475	70.916
Dominican Republic and the Caribbean	126.914	88.973
Others	142.832	126.540
Total	**7.945.417**	**6.481.813**

Table 10

Sales information is carried out with consideration of the geographical location of end-user customer

6.3 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:

	2015	2014
Foods	4.374.350	3.418.254
Beverages	1.849.510	1.602.073
Candy and Snacks	1.301.546	1.085.629
Others	420.011	375.857
Total	**7.945.417**	**6.481.813**

Table 11

NOTE 7.

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 financial statements of the subsidiary companies 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.

	2015					2014				
	Assets	Liabilities	Equity	Profit for the Period	Total Comprehensive Income for the Period	Assets	Liabilities	Equity	Profit for the period	Total comprehensive income for the period
Subsidiaries directly or indirectly 100% owned by Grupo Nutresa										
Grupo Nutresa S.A.	8.102.526	92.538	8.009.988	427.096	(207.093)	8.101.709	99.017	8.002.692	589.388	485.260
Nutresa Chile S.A.	1.459.528	56.952	1.402.576	(6.461)	(440)	1.302.656	49.717	1.252.940	6.011	(2.480)
American Franchising Corp. (AFC)	1.049.512	-	1.049.512	1.886	203.003	51.247	-	51.247	937	245
Compañía de Galletas Noel S. A. S.	2.007.222	851.757	1.155.465	111.873	149.036	1.452.476	506.916	945.560	130.916	(40.472)
Compañía Nacional de Chocolates S. A. S.	1.604.850	578.928	1.025.922	52.731	117.486	1.404.601	503.456	901.144	72.892	32.316
Compañía de Galletas Pozuelo DCR S.A.	848.362	94.630	753.732	38.201	5.056	604.363	67.592	536.771	25.149	4.351
Tresmontes S. A.	1.314.115	659.927	654.188	31.173	1.785	1.133.551	581.316	552.235	148.158	86.712
Lucchetti Chile S.A. (Newco)	711.510	126.504	585.006	6.518	584	632.487	118.766	513.721	55.594	69.453
Industria Colombiana de Café S.A.S.	1.378.407	734.435	643.972	53.078	44.361	1.016.141	439.312	576.829	96.887	17.713
Alimentos Cárnicos S.A.S.	1.750.430	984.475	765.955	72.079	98.493	1.632.929	991.110	641.820	170.199	55.112
Compañía Nacional de Chocolates del Perú S.A.	435.753	62.315	373.438	16.163	316	368.712	59.467	309.246	7.230	1.308
Meals Mercadeo de Alimentos de Colombia S.A.S.	753.315	489.984	263.331	14.302	2.360	529.669	263.133	266.537	11.573	(85)
Industria de Alimentos Zenú S. A. S.	368.019	159.096	208.923	19.429	(22)	412.183	221.060	191.124	2.055	(22.012)
Inmobiliaria Tresmontes Lucchetti S.A. (Newco)	239.293	32.776	206.517	2.720	209	208.830	27.853	180.977	12.188	31.731
Tresmontes Lucchetti S. A.	624.424	484.577	139.847	14.993	343	466.941	348.895	118.046	8.542	(11.137)
Productos Alimenticios Doria S. A. S.	324.534	190.991	133.543	12.502	1.953	191.299	71.307	119.991	11.112	97
Inmobiliaria and Rentas Tresmontes Lucchetti	114.706	-	114.706	-	-	101.967	-	101.967	-	-
Abimar Foods Inc.	258.379	135.981	122.398	15.931	2.373	147.310	68.212	79.098	15.044	2.887
Tresmontes Lucchetti México S. A. De C. V.	247.324	85.627	161.696	(21.505)	(1.008)	205.055	116.318	88.737	(958)	2.950
Tresmontes Lucchetti Agroindustrial S. A.	92.728	135	92.593	3.986	298	78.958	456	78.501	11.860	781
Other subsidiaries (1)	3.442.019	2.438.771	1.003.248	73.663	5.111	2.824.875	2.025.750	799.125	55.098	(40.504)
Subsidiaries with non-controlling interest										
Novaceites S.A.	68.712	21.555	47.157	2.425	84	61.814	22.124	39.690	3.916	553
La Recetta Soluciones Gastronómicas Integradas S.A.S.	49.837	48.147	1.689	(81)	-	43.833	42.057	1.777	370	-
Setas Colombianas S.A.	70.107	23.364	46.743	3.439	-	60.804	15.177	45.627	3.506	-
POPS One LLC	-	-	-	-	-	8	1	7	(312)	(63)
POPS Two LLC	-	-	-	-	-	26	1	25	(268)	(61)
Helados Bon	42.965	19.068	23.897	6.880	1.036	27.823	14.478	13.345	2.385	432
Fondo de Capital Privado "Cacao para el Futuro" – Compartimento A	34.416	7.018	27.398	1.275	-	28.137	2.014	26.123	733	-

Table 12

(1) Other subsidiaries include equity of $1.007.404, for the following companies: Alimentos Cárnicos de Panamá S.A.., Industrias Alimenticias Hermo de Venezuela, Alimentos Cárnicos Zona Franca Santa Fe S.A.S., Compañía Nacional de Chocolates DCR. S.A., Nutresa S.A. de C.V., Serer S.A. de C.V., Pastas Comarrico S. A. S., Guate-Pops S.A., Heladera Guatemalteca S.A., Industrias Lácteas de Costa Rica S.A., Industrias Aliadas S.A.S., Tropical Coffee Company S. A. S., Molino Santa Marta S.A.S., Comercial Pozuelo Nicaragua S.A., Comercial Pozuelo Panamá S. A, Cordialsa Noel Venezuela S.A., Americana de Alimentos Ameral S.A., Cía. Americana de Helados S.A., Americana de Alimentos S.A. de C.V., Cordialsa Boricua Empaque, Inc., Comercial Nutresa S.A.S., Distribuidora POPS S.A., Corp. Distrib. de Alimentos S.A (Cordialsa), Fransouno S.A, Comercial Pozuelo Guatemala S.A., Helados H.D. S.A., Industrias Lácteas Nicaragua S.A., Novaventa S.A.S., Comer-

cial Pozuelo El Salvador S.A. de C.V., Cordialsa Usa, Inc., TMLUC Argentina S.A., Tresmontes Lucchetti Agroindustrial S.A., Comercializadora Tresmontes Lucchetti S.A. de C.V., Tresmontes Lucchetti Internacional S.A., TMLUC Perú S.A., Tresmontes Lucchetti Servicios S.A., Fideicomiso Grupo Nutresa, Inmobiliaria Nevada S.A., Nevada Guatemalteca S.A., Litoempaques S. A. S., Gestión Cargo Zona Franca S.A.S., Opperar Colombia S.A.S., Servicios Nutresa S.A.S., Promociones and Publicidad Las Américas S.A., TMLUC Servicios Industriales, S. A. de CV , Servicios Tresmontes Lucchetti S.A. de C.V.

NOTE 8.

CASH AND CASH EQUIVALENTS

Cash and cash equivalents at December 31st includes the following:

	2015	2014	01/01/2014
Cash and banks	234.620	333.625	302.451
Short-term investments	51.444	58.238	113.416
Total	**286.064**	**391.863**	**415.867**

Table 13

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 2,7%.

These values have no restrictions over their availability.

At December 31, 2015, the Group had $2.100.000 available in committed unused credit lines.

NOTE 9.

TRADE AND OTHER RECEIVABLES

	2015	2014	01/01/2014
Customer	842.362	706.881	679.808
Accounts receivable from employees	17.114	18.692	12.045
Loans to third-parties (*)	-	5.397	221
Other accounts receivable	31.973	19.999	33.023
Impairment	(13.169)	(11.161)	(10.842)
Total current	**878.280**	**739.808**	**714.255**
Accounts receivable from employees	23.035	20.718	20.402
Loans to third-parties	2.248	928	359
Other accounts receivable	1.446	1.478	1.095
Total non-current	**26.729**	**23.124**	**21.856**
Total trade and other receivables	905.009	**762.932**	**736.111**

Table 14

(*) The 2014 balance corresponds primarily to a loan taken for Dan Kaffe Sdn. in the amount of $4.174, used in 2015 to capitalize the Group's participation in this subsidiary (See Note 19).

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.

The reconciliation of recognized impairment on accounts receivable is as follows:

	2015	2014
Book value at January 1st	**11.161**	**10.842**
Impairment losses recognized during the period	12.454	7.253
Use during the period	(12.446)	(8.143)
Reversal of impairment losses for the period	(444)	(101)
Exchange differences	1.662	945
Other changes	782	365
Book value at December 31st	**13.169**	**11.161**

Table 15

Grupo Nutresa derecognizes the values of the impaired portfolio considered manifestly lost against the impairment of value recognized in an allowance accountand not directly, when there is evidence of inactive balances by commercial customers, with over 360 days past due to December 31st each year.

NOTE 10.

INVENTORIES

	2015	2014	01/01/2014
Raw materials	339.195	261.469	233.921
Works in progress	55.703	59.883	49.640
Finished products	374.369	313.877	250.470
Packing materials	104.778	84.425	74.540
Consumable materials and spare parts	75.184	56.802	57.769
Inventories in transit	87.826	69.849	37.869
Adjustments to the net realizable values	(4.086)	(4.453)	(6.054)
Total	**1.032.969**	**841.852**	**698.155**

Table 16

Net write-offs of inventory values are recognized as cost, during the period, in the amounted of $719 (2014 - $1.905) .

Write- down inventories are recognized as expenses, in the amount of $60.873, during the period 2015 (2014 - $47.215).

Inventory of finished products, in the amount of $374.743, was measured at the net realizable value.

NOTE 11.

BIOLOGICAL ASSETS

	2015	2014	01/01/2014
Forest plantation	8.913	6.594	4.968
Biological assets - cattle	24.636	19.626	10.713
Biological assets – pig	25.269	25.735	24.342
Total	**58.818**	**51.955**	**40.023**
Current portion	**53.119**	**47.770**	**37.449**
Non-current portion	**5.699**	**4.185**	**2.574**

Table 17

The forest plantations include: 170 hectares of cocoa plantations (2014 – 170 ha), located in the department of Santander in Colombia, aimed at promoting the development of cocoa farming through agro forestry systems (Cocoa - Timber) to the country's farmers, and also to supply the raw material consumption of the Group.   Also included are 40.290 square meters of mushroom crops (2014 – 33.180 m2), located in Yarumal, Colombia, that are used by Setas de Colombia S.A. - in its production process; taking into account that no active market exists for these crops. Companies measure the biological assets under the cost model until the fair value of these can be reliably measured.

2015 biological assets include 22.394 cattle (2014 – 18.515 units) and 81.017 pigs (2014- 85.663 units) in Colombia and Panama, the production of this activity which is used as raw material for product development in the Cold Cuts Business.

Pigs and cattle, in Colombia, 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. Pigs that are produced abroad (2015 - $5.125 to 2014 - $5.174) are measured upon initial recognition under the cost model, taking into account that there is no active market.

The gain or loss for the period due to changes in fair value minus the costs to sell of biological assets in 2015 is $5.311 (2014 - $3.691).

Non-current biological assets correspond to cocoa plantations which have an average life of 15 years.

NOTE 12.
OTHER ASSETS

"Other assets" are comprised of the following:

	2015	2014	01/01/2014
Other current assets			
Current taxes (1)	146.006	94.316	76.198
Prepaid expenses(2)	58.679	36.693	37.831
Financial derivative instruments (See Note 21.6)	16.077	8.343	828
Total other current assets	**220.762**	**139.352**	**114.857**
Other non-current assets			
Prepaid expenses	4.182	4.025	5.106
Other financial instruments measured at fair value (3)	34.324	27.235	-
Other non-current assets	2.139	1.088	-
Total other non-current assets	**40.645**	**32.348**	**5.106**
Total other assets	**261.407**	**171.700**	**119.963**

Table 18

(1) Current taxes include income tax advances, in the amount of $32.090 (2014 - $33.725), balances in favor of income tax in the amount of $88.343 (2014 - $36.293), and balances, in favor of, sales tax in the amount of $22.982 (2014 - $19.352).

(2) Prepaid expenses relating mainly to insurance, advertising, and contractors.

(3) Other financial instruments measured at fair value corresponding to the rights held by the private equity "Cacao para el futuro" - Compartment A, in cocoa plantations. See Note 37 for the information for the measurement of the fair value of this asset.

NOTE 13.
NON-CURRENT ASSETS HELD FOR SALE

Currently under construction, are seven distribution centers that form part of "build to suit" that will house the finished product for secondary distribution in Colombia, in the cities of Aguachica, Florence, Palermo, Valledupar, Pasto, Cartagena, and Monteria. This initiative is framed under the strategy of sustainable development in construction, and also ensures optimum comfort for human resources and the product. Grupo Nutresa realizes the design and construction of these buildings that will be sold to a real estate fund, once construction is complete in 2016, to be then taken into operating leases by Grupo Nutresa, thereby achieving a significant release of working capital.

To December 31, 2015, the balance of $71.679 includes acquired land in the amount of $21.985 and construction in progress in the amount of $49.694; these buildings are expected to be completed during 2016, for which the committed resources are in the amount of $74.064.

NOTE 14.
PROPERTY, PLANT AND EQUIPMENT

The movement of property, plant and equipment occurring during the period is as follows:

	Land	**Buildings**	**Production Equipment Machinery**	**Transportation Equipment**	**Computer Equipment**	**Office Equipment**	**Leasehold Improvements**	**Assets in Progress**	**Total**
Cost	751.664	706.040	1.564.133	30.349	18.056	38.615	10.402	316.809	3.436.068
Depreciation and impairment	(200)	(57.541)	(363.350)	(13.222)	(11.888)	(22.812)	(3.720)	-	(472.733)
Balance at January 1, 2015	**751.464**	**648.499**	**1.200.783**	**17.127**	**6.168**	**15.803**	**6.682**	**316.809**	**2.963.335**
Acquisitions	-	9.612	20.239	1.973	3.511	729	12.492	346.408	394.964
Business combinations	1.868	16.521	44.188	1.046	2.455	3.218	63.390	1.001	133.687
Withdrawals	(2.401)	(2.336)	(3.365)	(432)	(106)	(168)	(171)	(79)	(9.058)
Depreciation	-	(31.091)	(144.295)	(2.935)	(3.638)	(4.232)	(8.231)	-	(194.422)
Impairment	-	(7)	(162)	-	7	-	-	-	(162)
Transfers	(273)	144.092	329.880	(10.141)	4.281	596	538	(519.382)	(50.409)
Adjustments in hyperinflationary economies	606	9.833	9.540	83	2	12	-	3.396	23.472
Currency translations	27.380	12.654	42.678	3.098	396	1.899	1.377	32.833	122.315
Cost	778.971	910.913	2.059.609	22.433	30.186	47.113	102.462	180.986	4.132.673
Depreciation and impairment	(327)	(103.136)	(560.123)	(12.614)	(17.110)	(29.256)	(26.385)	-	(748.951)
Balance at December 31, 2015	**778.644**	**807.777**	**1.499.486**	**9.819**	**13.076**	**17.857**	**76.077**	**180.986**	**3.383.722**
Cost	729.302	739.948	1.352.829	31.409	17.806	30.475	7.438	257.717	3.166.924
Depreciation and impairment	(200)	(44.283)	(237.148)	(2.730)	(9.378)	(16.638)	(13)	-	(310.390)
Balance at January 1, 2014	**729.102**	**695.665**	**1.115.681**	**28.679**	**8.428**	**13.837**	**7.425**	**257.717**	**2.856.534**
Acquisitions	1.560	236	5.334	1.211	1.733	2.067	-	346.649	358.790
Withdrawals	(10)	(926)	(8.406)	(772)	(211)	(250)	-	(3.071)	(13.646)
Depreciation	-	(13.972)	(128.984)	(5.475)	(2.288)	(4.371)	(2.826)	-	(157.916)
Impairment	-	-	(12.790)	-	-	-	-	-	(12.790)
Transfers	4.283	15.005	211.627	(5.212)	287	4.367	1.235	(257.029)	(25.437)
Adjustments in hyperinflationary economies	435	11.793	9.820	39	54	98	-	552	22.791
Currency translations	16.094	(59.302)	8.501	(1.343)	(1.835)	55	848	(28.009)	(64.991)
Cost	751.664	706.040	1.564.133	30.349	18.056	38.615	10.402	316.809	3.436.068
Depreciation and impairment	(200)	(57.541)	(363.350)	(13.222)	(11.888)	(22.812)	(3.720)	-	(472.733)
Balance at December 31, 2014	**751.464**	**648.499**	**1.200.783**	**17.127**	**6.168**	**15.803**	**6.682**	**316.809**	**2.963.335**

Table 19

During 2014, impairment losses were recognized in the amount of $12.790 and were associated to assets disused, according to the changes in the production process. Impairment losses for the period impacted the production expenses in profit and loss, and assigned to the segments of Cold Cuts $5.549, Biscuits $3.628, Coffee $1.835, Chocolate $1.092, and Pasta $686. The impairment losses were determined using the income approach (value in use). During 2015, impairment losses were recognized in the amount of $162 (2014 - $12.790).

NOTE 15.
INVESTMENT PROPERTIES

The movement of investment properties is detailed, during 2015 and 2014, as follows:

	Land	Buildings	Total
Cost	80.483	15.992	96.475
Depreciation and impairment	-	(195)	(195)
Balance at January 1, 2015	**80.483**	**15.797**	**96.280**
Withdrawals	(461)	(880)	(1.341)
Depreciation	-	(581)	(581)
Transfers	(11.686)	-	(11.686)
Adjustments in hyperinflationary economies	-	7.090	7.090
Impact of differences of currency translation	-	(7.369)	(7.369)
Cost	68.336	14.777	83.113
Depreciation and impairment	-	(720)	(720)
Balance at December 31, 2015	**68.336**	**14.057**	**82.393**
Balance at January 1, 2014 (deemed cost)	**68.796**	**4.977**	**73.773**
Depreciation	-	(195)	(195)
Transfers	11.687	8.689	20.376
Adjustments in hyperinflationary economies	-	2.326	2.326
Cost	80.483	15.992	96.475
Depreciation and impairment	-	(195)	(195)
Balance at December 31, 2014	**80.483**	**15.797**	**96.280**

Table 20

At December 31, 2015, there were no materials commitments for acquisition or construction of the investment properties.

The fair value of investment properties at December 31, 2015 amounted to $103.538 and was determined by an independent appraiser using an income and market approach. This means that the valuation are based upon quoted prices in active markets, adjusted for differences in nature, location and/or condition of each particular property, or through financial discount of the future cash flows obtained from the leasing of properties.

NOTE 16.
GOODWILL

The movement of the carrying value of goodwill assigned to each one of the segments of the Group is as follows:

2015

Reportable Segment	CGU	Balance At January 1st	Additions	Exchange Differences	Balance at December 31st
Retail Foods	Grupo El Corral (1)	-	534.811	-	534.811
	Grupo Pops	170.494	-	-	170.494
	Helados Bon	51.530	-	-	51.530
Coffee	Industrias Aliadas	4.313	-	-	4.313
Cold Cuts	Setas de Colombia	906	-	-	906
Chocolate	Nutresa de México	172.248	-	10.394	182.642
Biscuits	Abimar Foods	96.546	-	-	96.546
	Galletas Pozuelo	27.950	-	9.045	36.995
TMLUC	Tresmontes Lucchetti	849.085	-	106.081	955.166
		1.373.072	**534.811**	**125.520**	**2.033.403**

Table 21

2014

Reportable Segment	CGU	Balance at January 1st	Additions	Exchange Differences	Balance at December 31st
RetailFoods	Grupo Pops	170.494	-	-	170.494
	Helados Bon	51.530	-	-	51.530
Coffee	Industrias Aliadas	4.313	-	-	4.313
Cold Cuts	Setas de Colombia	906	-	-	906
Chocolate	Nutresa de México	162.900	-	9.348	172.248
Biscuits	Abimar Foods	96.546	-	-	96.546
	Galletas Pozuelo	24.232	-	3.718	27.950
TMLUC (2)	Tresmontes Lucchetti	791.418	183	57.484	849.085
		1.302.339	**183**	**70.550**	**1.373.072**

Table 22

(1) In 2015, the addition corresponds to the business combination for the acquisition of Grupo El Corral (See Note 5).

(2) In 2014, the increase corresponds to an adjustment of the consideration paid in the acquisition of GrupoTMLUC in the amount of $46.328.297CLP ($183), for the recovery of accounts receivable, under the terms of the acquisition.

16.1 ASSESSMENT OF IMPAIRMENT OF GOODWILL

Goodwill is not subject to amortization. The Group reviews the existence of impairment, annually, by comparing the carrying value of net assets allocated to the Cash Generating Unit (CGU), with their value in use. During the current period, as well as, in the previous, no impairment loss was recognized.

For each CGU or group of CGU, the recoverable amount is higher than its book amount. Cash flows have been projected for a period of 10 years, which consists of five years of explicit plans and an additional 5 years where a stabilization period is projected, with a decresing convergence equivalent to the anticipated nominal economic comportment and the perpetual long-term growth, according to the requirements of the applicable norms, giving more consistency to the normal evolution of the businesses and projections. These flows have been established throughout the experience of the Group.

The operating income included within the future cash flows correspond to the income of the businesses that conform to the CGU or group of CGU's, and the projected comportment considered the expected evolution of the market and the growth strategies approved by the Direction, for the following years, determinant at the moment that the evolution of the gross profit margin is defined, which includes a study of the cost factors based upon the efficiencies projected by the Administration.

Grupo Nutresa uses a specific growth rate that is similar to the average rate of long-term growth for the industry and is between 1.5% and 2% and is indexed to the inflation of the country where is each CGU is assessed; all flows have been discounted according to the average rate of the Group and varies according to the variables determining each CGU, according to the *WACC "weighted average cost of capital" methodology*. The average discount rate used is in an range established between 8,6% and 11,9%.

Grupo Nutresa considers that there is no reasonable change possible, in the previous key assumption indicators listed above,used in the assesstment of goodwill impairment, that could imply that the carrying value of a CGU exceeds its recoverable amount.

Goodwill from the acquisition of Grupo El Corral was not assessed for impairment to December 2015, due to the fact that the allocation of the purchase price was finalized at a date much earlier than the close of year-end date and there has not been any change could affect the recoverable value.

NOTE 17.

OTHER INTANGIBLE ASSETS

	Brands	**Software and Licenses**	**Concessions and Franchises**	**Others**	**Total**
Cost	801.740	31.325	27	59	833.151
Amortization and impairment	(50.569)	(15.742)	(11)	-	(66.322)
Balance at January 1, 2015	**751.171**	**15.583**	**16**	**59**	**766.829**
Acquisitions	117	7.659	512	**2.920**	**11.208**
Business combinations (See Note 5)	269.545	953	53.367	**-**	**323.865**
Amortization	(4.029)	(6.214)	(122)	(47)	(10.412)
Transfers	1.193	(2.075)	8	640	(234)
Impact of currency translation	87.816	871	6	8	88.701
Cost	1.160.527	41.242	54.351	3.627	1.259.747
Amortization and impairment	(54.714)	(24.465)	(564)	(47)	(79.790)
Balance at December 31, 2015	**1.105.813**	**16.777**	**53.787**	**3.580**	**1.179.957**
Cost	766.097	25.570	24	55	791.746
Amortization and impairment	(54.897)	(7.712)	(5)	-	(62.614)
Balance at January 1, 2014 (deemed cost)	**711.200**	**17.858**	**19**	**55**	**729.132**
Acquisitions	449	1.427	-	59	1.935
Withdrawals	-	(1)	-	(5.981)	(5.982)
Amortization	(2.611)	(6.775)	(3)	-	(9.389)
Transfers	268	2.498	(2)	5.922	8.686
Impact of currency translation	41.865	576	2	4	42.447
Cost	801.740	**31.325**	**27**	59	833.151
Amortization and impairment	(50.569)	(15.742)	(11)	-	(66.322)
Balance at December 31, 2014	**751.171**	**15.583**	**16**	**59**	**766.829**

Table 23

17.1 BRANDS

This corresponds to the brands acquired through business combinations or transactions with third parties at December 31st, 2015.

The following table shows the allocation of brands to each business segment and the classification by useful life at December 31st, 2015:

Reportable Segment	Finite Useful Life Brands	Indefinite Useful Life Brands	Total
Retail Foods	-	268.992	268.992
Cold Cuts	1.398	-	1.398
Chocolate	-	17.442	17.442
Biscuits	-	198.864	198.864
Ice Cream	290.356	-	290.356
TMLUC	-	328.761	328.761
Total	**291.754**	**814.059**	**1.105.813**

Table 24

Brands with a finite useful life are amortized with a useful life of 99 years.

Brands with a net book value of $814.059 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.

17.1.1 IMPAIRMENT OF VALUE OF INTANGIBLE ASSETS WITH UNDEFINED USEFUL LIVES

Brands that have an indefinite useful life are subject annually to an impairment test using the projection of future cash flows to determine value- in-use; this assessment takes into account variables such as the discount rate, the rate of long-term growth, among other variables, similar to those used in assessing impairment of goodwill (See Note 16.1). During 2015 and 2014, no impairment losses of brands, were recognized.

In relationship to those intangible assets with finite useful lives, Grupo Nutresa considers that there are no situations that can impact the projections of expected results in the remaining years of the useful lives and, in its opinion, at December 31st of 2015 and 2014, there exists no indications of impairment of intangible assets, with finite useful lives.

17.2 OTHERS

During 2015, costs for intangibles, generated internally, were capitalized in the amount of $2.221, associated with development projects of new products.

During 2015, research and development costs were recognized in the amount of $40.508 (2014 –$35.314).

NOTE 18.

INCOME TAXES AND PAYABLE TAXES

18.1 APPLICABLE REGULATIONS

a) Colombia:

Taxable income is taxed at a rate of 25%, paid by taxpayers except for taxpayers under express provision which are handled at special rates and at 10% income from windfall.

A 9% fee is applicable to the income tax for equity "CREE", according to the Law 1739 of December 2014. For the years 2015, 2016, 2017, and 2018, Law 1739 of December 23, 2014 establishes a surcharge on income tax for equity - CREE, which is at the responsibility of the taxpayer at rates of 5%, 6%, 8%, and 9% per year, respectively.

b) Chile:

Chile, the law implemented separate systems for "capital income" and "income from work". The first are taxed at the First Category Tax which mainly affects businesses. This tax has a fixed 20% for 2014 and 21% for 2015, based on tax rates which are calculated using aggregates or decreases, as mandated by law. These taxes paid is attributable to the "Global Complementary", which records the income of all natural persons and residents of the country; or "The Additional", which records taxes on income from Chilean sources, for all natural and legal persons residing outside the country, as appropriate.

c) Mexico:

During fiscal year 2014, the income tax rate in Mexico was 30%; applied on taxable income for the year. Additionally, for workers the taxable income rate is 10%.

d) Costa Rica:

Income tax is calculated based on actual income for the year and estimates during the year. The provision for income taxes includes, besides taxable income, includes a taxable impact on temporary differences between accounting and items used for the calculation of income tax. The value of such tax differences are recognized in an account of deferred income tax. The rate of income tax is 30%.

e) Panama:

The income tax is based on actual net income. The income tax rate is 25%.

f) Ecuador:

According to the Taxation Act, companies incorporated in Ecuador have tax incentives applicable for investments that are executed in the country, which consists of a progressive reduction of percentage points in income tax and are subject to a tax rate of 22%.

18.2 INCOME TAX AND TAX PAYABLE

The current payable tax balance at December 31st is as follows:

	2015	2014	01/01/2014
Income tax and complimentary	61.273	50.881	55.353
Tax for equity - CREE	11.002	12.831	25.190
Tax on wealth	-	-	18.988
Sales tax, payable	65.662	58.268	55.399
Withholding taxes, payable	27.105	21.966	17.345
Other taxes	7.281	6.271	3.631
Total (*)	**172.323**	**150.217**	**175.906**

Table 25

(*) Proceeds from the business combination of Grupo El Coral, at December 31, 2015, are included in the consolidated financial statements under Current tax liabilities for these companies in the amount of $16.324.

The Group and its legal advisors apply their professional criterion in determining the provision for income tax and tax for equity CREE. There are many transactions and calculations for which the final tax determination is uncertain during the course of ordinary business. The Company recognizes liabilities for situations observed in preliminary tax audits based on estimates, if any, of additional tax payment. When the final tax outcome of these situations is different from the amounts that were initially recorded, these differences are charged to current income tax and deferred tax assets and liabilities, in the period in which these are determined.

18.3 INCOME TAX EXPENSES

The current income tax expenses are as follows:

	2015	2014
Income tax	134.013	113.145
Taxes for equity - CREE	33.017	32.502
CREE surcharges (1)	16.531	-
Total	**183.561**	**145.647**
Deferred taxes (2)	(16.421)	(170.500)
Total tax expenses	**167.140**	**(24.853)**

Table 26

(1) In 2015, a surcharge tax for equity is recognized for Colombia - CREE corresponding to 5% of taxable income.

(2) In 2014, in some companies Chile (Tresmontes S.A., Lucchetti Chile S.A., Inmobiliaria Tresmontes Lucchetti and Nutresa de Chile), goodwill tax was generated, in the amount of a tax CLP 45.230.485 ($176.687 COP), arising under applicable tax rules in this country for the restructuring process executed in 2014 by the Grupo TMLUC, in order to simplify its corporate structure.

18.4 DEFERRED INCOME TAX

The following represents deferred asset and liabilities taxes:

	2015	2014	01/01/2014
Deferred tax assets			
Goodwill tax, TMLUC	184.055	162.494	-
Employee benefits	58.096	60.497	51.011
Accounts payable	6.991	1.878	929
Investments	88	118	201
Tax losses	71.464	53.078	2.021
Tax credits	3.237	1.981	2.180
Accounts receivable	2.872	447	1.129
Other assets	28.658	17.290	64.923
Total deferred tax assets	**355.461**	**297.783**	**122.394**
Deferred tax liabilities			
Property, plant and equipment	347.350	320.200	323.496
Intangibles	221.600	97.344	33.224
Investments	5.315	3.033	1.340
Inventories	877	1.397	597
Accounts payable	1.374	1.195	27
Other liabilities	63.294	48.544	91.462
Total deferred tax liabilities	**639.810**	**471.713**	**450.146**
Deferred tax liabilities, net	**284.349**	**173.930**	**327.752**

Table 27

The deferred tax movements during the period are as follows:

	2015	2014
Initial balance liability, net	173.930	327.752
Deferred income tax expenses recognized in profit and loss	(16.421)	(170.500)
Income tax relating to components of other comprehensive income	(2.791)	(2.884)
Increase from business combinations	121.059	-
Other impact	4.311	-
Impact of changes from foreign exchange rates	4.261	19.562
Ending balance liability, net	**284.349**	**173.930**

Table 28

18.5 EFFECTIVE TAX RATE

The effective tax rate differs from the theoretical rate, due to the impact produced by applying the tax rules. Within tax regulations, there are benefits such as non-taxable income (e.g. dividends, research incentives, etc.); there are, also, restricted tax deductions, such as in the case of financial transactions tax, a deductible applicable only in Colombia, 50% non-taxable, provisions, costs and expenses from previous years, fines, penalties, etc. In some countries like Colombia and Peru, the possibility of signing a contract with the state legal stability, allows for more tranquility and tax burden surprises are avoided; these contracts allow a greater deduction of expenses for investment in productive fixed assets, investments in science and technology, grants, tax depreciation of goodwill; different methods of depreciation and amortization are applied according to set accounting standards. All these special situations create differences in the effective tax rate, with respect to the theoretical rate, in each country.

Below is reconciliation, of both the applicable tax rate and the effective tax rates:

	2015		2014	
	Value	%	Value	%
Accounting profit	**604.294**		**576.677**	
Tax expenses at applicable tax rates	**211.986**	**35,08%**	**184.824**	**32,05%**
Un-taxed income	(28.567)	(4,73)%	(29.303)	(5,08)%
Non-deductible expenses	60.504	10,01%	83.889	14,55%
Taxable income	15.682	2,60%	9.060	1,57%
Tax deductions	(68.658)	(11,36)%	(82.905)	(14,38)%
Other tax impact	(23.807)	(3,94)%	(13.731)	(2,38)%
Effective tax expenses	**167.140**	**27,66%**	**151.834**	**26,33%**
Goodwill tax, Chile	-		(176.687)	
Total tax expenses	**167.140**		**(24.853)**	

Table 29

For comparison purposes, in reconciling the applicable tax rate and the effective tax rate, income recognized in the results for the amount of $176.687, is separated, from deferred taxes generated by the goodwill tax of the corporate restructuring of Nutresa Chile, in 2014.

The expenses due to applicable tax rate, is calculated using the weighted average tax rates applicable in each country where Grupo Nutresa operates.

The untaxed income relates mainly to the impact of dividend income from investments portfolio and equity method; tax deductions, primarly related to the tax amortization of goodwill, and deduction in productive fixed assets.

18.6 EXCESS PRESUMPTIVE INCOME TAX AND TAX LOSSES

At December 31, 2015, the tax losses of the subsidiary companies in Colombia amounted to $339.567 (2014 - $4.937). According to tax rules, tax losses have no expiration date.

The excess presumptive income and ordinary income of subsidiary companies in Colombia, pending compensation, increased to $11.932 (2014 - $6.966). According to current tax regulations, excess presumptive income and ordinary income can be offset with net ordinary income, within five years, and adjusted for tax purposes. Excess presumptive income that is recognized in deferred tax assets, and which corresponds to Mexico, does not expire.

Expiration date	Excess presumptive income
Without expiration date	5.085
2019	1.184
2020	5.663
	11.932

Table 30

18.7 TAX ON WEALTH

According to the provisions of Article 6 of Law 1739 of 2014, which adds Article 297-2 of the tax statute, the accrual of tax on wealth will take place on January 1st of the years 2015, 2016, and 2017, and will be charged to capital reserves without affecting net income, in accordance with Article 10 of the same law. For 2015, $24.949 is recognized as charges to the reserves at the disposal of the highest corporate body.

For 2016, this will be recognized in equity, in the amount of $21.864.

NOTE 19.

INVESTMENTS IN ASSOCIATES AND JOINT VENTURES

Investments in associates and joint ventures to December 31st of 2015 and 2014 are as follows:

		2015				2014				01/01/2014
	Country	% Participation	Book Value	Share of Income For The Period	Share of Other Comprehensive Income	% Participation	Book Value	Share of Income For The Period	Share of Comprehensive Income	Book Value
Associates										
Bimbo de Colombia S.A.	Colombia	40%	75.505	6.225	1.304	40%	67.976	5.961	-	62.015
Dan Kaffe Sdn. Bhd.	Malaysia	44%	23.886	(58)	2.848	37%	10.762	(1.523)	1.520	12.852
Estrella Andina S.A.S.	Colombia	30%	6.484	(855)	-	30%	2.841	(1.102)	-	966
Fondo de Capital Privado "Cacao para el Futuro" – Compartimento A	Colombia	-	-	-	-	-	-	35	-	3.477
Joint ventures										
Oriental Coffee Alliance Sdn. Bhd.	Malaysia	50%	3.146	(384)	1.787	50%	1.744	(149)	-	-
Total associates and joint ventures			**109.021**	**4.928**	**5.939**		**83.323**	**3.222**	**1.520**	**79.310**

Table 31

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 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, engaged in the marketing of ready-made meals in cafeterias.

Oriental Coffee Alliance Sdn. Bhd. is a company dedicated to the sale of Dan Kaffe Malaysia (DKM) products, as well as, some Colcafé products and also part of the Group, in Asia. This partnership with the Mitsubishi Corporation, allows Grupo Nutresa 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.

	2015	2014
Opening balance at January 1st	**83.323**	**79.310**
Participation in comprehensive income	10.867	4.742
Capitalization and acquisitions (1)	14.831	2.784
Changes in the control situation (2)	-	(3.513)
Balance at December 31st	**109.021**	**83.323**

Table 32

(1) In 2014, Oriental Coffee Allliance was constituted,with a capitalization of $1.893; a capitalization was realized for Estrella Andina S.A.S. in the amount of $2.977, without changes in shareholding, there was also a withdrawal from the sale of shares by Dan Kaffe Sdn in the amount of $2.086. This sale of shares generated income of $3.263.

In 2015, the participation of Dan Kaffe Sdn. increased through the capitalization of accounts receivable, in the amount of $10.333. This operation does not generate changes in the situation of control over the company. In addition, Estrella Andina is capitalized in the amount of $4.498, without changes in shareholding.

(2) Corresponds to the private equity "Cacao para el Futuro", over which, to January 1, 2014, it had a share of 13,82% and was classified as an associate; in April 2014, an acquisition was realized of an additional 69,59%, with which, Grupo Nutresa obtains control. The information of the business combination is included in Note 5.

During 2015, no dividends were received from these investments.

The following is a summary of financial information of associated companies and joint ventures:

	2015					2014				
	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.	409.084	221.261	187.823	(15.564)	3.130	316.604	141.345	175.260	(18.466)	129
Dan Kaffe Sdn. Bhd.	71.754	18.089	53.665	(148)	-	60.095	28.764	31.330	(2.725)	-
Estrella Andina S.A.S.	23.130	1.439	21.691	(2.849)	-	14.958	5.487	9.471	(3.673)	(110)
Joint ventures										
Oriental Coffee Alliance Sdn. Bhd.	3.477	150	3.327	(1.228)	-	4.054	53	4.000	(334)	-

Table 33

NOTE 20.

OTHER NON-CURRENT FINANCIAL ASSETS

Grupo Nutresa classified portfolio investments that are not held for trading as financial instruments measured at fair value through other comprehensive income.

The results for the period include income from dividends on these instruments and are recognized, by Nutresa, on the date that the right to receive future payments 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 at December 31st is as follows:

Book Value	**Number of Shares Held**	**Participation as % in Total Ordinary Shares**	**2015**	**2014**	**01/01/2014**
Grupo de Inversiones Suramericana S.A.	59.387.803	12,66%	2.120.145	2.375.512	2.001.369
Grupo Argos S.A.	79.804.628	12,36%	1.292.835	1.635.995	1.551.402
Other related parties			5.169	4.955	5.240
			3.418.149	**4.016.462**	**3.558.011**

Table 34

	2015		2014	
	Dividend Income	**Income/Loss on Fair Value Measurement**	**Dividend Income**	**Income/Loss from Fair Value Measurement**
Grupo de Inversiones Suramericana S.A.	25.062	(255.367)	23.161	374.143
Grupo Argos S.A.	21.388	(343.160)	19.792	84.593
Other related parties	566	(755)	442	-
	47.016	**(599.282)**	**43.395**	**458.736**

Table 35

At December 31, 2015, there were pledges for 26.000.000 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 21.

FINANCIAL LIABILITIES

21.1 FINANCIAL LIABILITIES AT AMORTIZED COST

Financial liabilities held by Grupo Nutresa are classified as measurements using *the amortized cost method and* based on the Group's business model. Book values at the end of the reporting date are as follows:

	2015	2014	01/01/2014
Loans	2.537.306	1.617.489	1.403.018
Bonds	510.924	496.293	581.677
Leases	18.712	9.531	10.963
Gross debt	**3.066.942**	**2.123.313**	**1.995.658**
Accrued interest and others	27.322	20.964	21.414
Total	**3.094.264**	**2.144.277**	**2.017.072**
Current	1.059.660	455.480	418.135
Non current	**2.034.604**	**1.688.797**	**1.598.937**

Table 36

Financial obligations, mainly loans, taken out by Colombian companies in dollars, incorporates adjustments to the amortized cost, in the amount of $7.896, as a result of the measurement at fair value of hedging exchange rates, as described in Note 21.6.

For the acquisition of Grupo El Corral, financial obligations of $685.000 were acquired with terms between 1 and 3 years and average interest rates of 5,15% based on DTF and IBR. Interest expenses generated from these transactions during 2015 were $37.612.

21.2 BONDS

Grupo Nutresa generated issuance of two bonds:

- In July 2008, Compañia Nacional de Chocolates de Perú S.A. issued corporate bonds with Grupo Nutresa serving as guarantor. The issuance was executed in the amount of $118.520.000 Peruvian Sols, with a maturity date of 10 years (2018), at a fixed interest 8,84% E.A., paid annually in arrears, with repayment at maturity. In 2015, expenses attributable to interest in the amounts of $9.009 (2014 – $7.475) were recorded. The balance of this obligation in pesos at December 2015 is $109.465 (2014 - $94.834)
- 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 emission has a balance at December 2015, including accrued interest in the amount of $406.396, and has the following characteristics:

Maturity	Interest Rate	2015	2014	01/01/2014
2014	IPC + 4,19%	-	-	99.293
2016	IPC + 4,96%	133.436	133.063	132.821
2019	IPC + 4,33%	137.148	136.764	136.516
2021	IPC + 5,75%	135.812	135.431	135.186
	Total	**406.396**	**405.258**	**503.816**

Table 37

In 2015, there were interest expenses in the amount of $38.223 (2014 – $35.187).

21.3 MATURITY

Period	2015	2014	01/01/2014
1 year (including payable interest)	1.059.660	455.480	418.135
2 to 5 years	1.385.167	814.841	562.779
More than 5 years	649.437	873.956	1.036.158
Total	**3.094.264**	**2.144.277**	**2.017.072**

Table 38

21.4 BALANCE BY CURRENCY

	2015		2014		01/01/2014	
Currency	**Original Currency**	**COP**	**Original Currency**	**COP**	**Original Currency**	**COP**
COP	2.565.286	2.565.286	1.657.953	1.657.953	1.613.178	1.613.178
CLP	67.678.319.984	300.145	68.700.879.047	270.893	60.869.938.854	223.568
USD	27.377.015	86.223	29.944.245	71.640	28.415.944	54.753
PEN	118.520.000	109.465	118.520.000	94.834	118.520.000	81.677
MXN	-	-	156.896.048	25.475	62.215.176	9.175
VEF	367.326.632	5.823	24.994.150	1.196	27.300.486	8.349
ARS		-	4.728.128	1.322	15.625.649	4.619
GTQ		-		-	1.374.914	339
Total		**3.066.942**		**2.123.313**		**1.995.658**

Table 39

Currency balances are presented after currency hedging.

21.5 INTEREST RATES

Changes in interest rates may affect the interest expense for financial liabilities that are tied to a variable interest rate. For the Company, 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 - TIIE [Mexico]), that are used to determine the applicable rate on bonds and loans.

The following table shows the structure of the financial risk due to exchange rates:

	2015	2014	01/01/2014
Variable interest rate debt	2.620.381	2.007.695	1.881.677
Fixed interest rate debt	446.561	115.618	113.981
Total	**3.066.942**	**2.123.313**	**1.995.658**
Average rate	7,50%	6,79%	6,63%

Table 40

21.6 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 designated hedged financial obligation. The debt in USD with coverage at December 31, 2015 amounts to USD $40.000.000; at December 31, 2014, there were no financial obligations in USD from Colombian companies, subject to financial hedges.

In addition, 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, 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 following details the assets and liabilities by financial derivative instruments:

	2015		2014		01/01/2014	
	Asset	**Liability**	**Asset**	**Liability**	**Asset**	**Liability**
Hedges						
Fair value of exchange rates on financial obligations	10.997	(3.101)	-	-	-	-
Non-designated derivatives	**10.997**	**(3.101)**	**-**	**-**	**-**	**-**
Non-designated derivatives						
Forwards and options on currencies	13.101	(10.589)	7.310	(3.877)	779	(102)
Forwards and options on commodities	2.976	(2.862)	1.033	(2.631)	49	(91)
Total non-designated derivatives	**16.077**	**(13.451)**	**8.343**	**(6.508)**	**828**	**(193)**
Net value of financial derivatives	**10.522**	**-**	**1.835**	**-**	**635**	

Table 41

The valuation of non-assigned financial derivative instruments, generated income in profit and loss in the amount of $14.948 (2014 - $554), recorded as part of the exchange different of non-financial assets and liabilities.

NOTE 22.

TRADE AND OTHER PAYABLES

Trade and other payables at December 31st are listed below:

	2015	2014	01/01/2014
Suppliers	419.665	312.129	294.430
Cost and expenses payable	304.269	259.540	220.859
Dividends payable	59.308	55.199	50.821
Payroll deductions and contributions	42.352	29.749	27.356
Total	**825.594**	**656.617**	**593.466**
Current	825.435	656.458	593.299
Non-current	159	159	167

Table 42

Trade and other payables, normally have to be paid on an average in the following 29 days, and do not accrue interest.

NOTE 23.

EMPLOYEE BENEFITS LIABILITIES

The balance of liabilities due to employee benefits at December 31st of 2015 and 2014 is as follows:

	2015	2014	01/01/2014
Short-term benefits	157.552	134.105	134.490
Post-Employment benefits			
Defined benefits plans	115.374	119.167	120.539
Other long-term benefits	99.235	93.315	86.771
Total liabilities for employee benefits	**372.161**	**346.587**	**341.800**
Current	160.628	137.300	136.892
Non-current	211.533	209.287	204.908

Table 43

23.1 PENSIONS AND OTHER POST-EMPLOYMENT BENEFITS

23.1.1 APPLICABLE REGULATIONS:

Colombia: Grupo Nutresa has 288 beneficiaries of the defined benefit plans for payment of pensions according to legal regulations (Modelo de regimen solidario de prima media con prestacion definida) (TR. Solidarity regimen of average bonus with defined benefits). There exists no current active employee who has access to this benefit. The retroactive severance for employees is paid-out to 683 employees and governed under previous labor Law 50 of 1990.

Ecuador: Plan unfunded defined benefit (employer retirement, compensation for unfair dismissal, eviction bonus). The obligation is strictly for the employer. The Company provisions countable reserves without contributing to any fund. All employees (186) that work for the Company participate in the actuarial calculation.

Chile: Only indemnifities that are entitled and which are established in the collective and individual contracts are recorded. These are due to death, voluntary resignation due to a serious and personal illness, and personnel that are entitled to all events.

23.1.2 RECONCILIATION OF MOVEMENT

A reconciliation of the movements of the defined benefit plans is as follows:

	Pensions		Retroactive Severance		Other Defined Benefits Plans		Total	
	2015	**2014**	**2015**	**2014**	**2015**	**2014**	**2015**	**2014**
Value of current obligation at January 1st	**47.456**	**47.937**	**21.483**	**26.743**	**50.228**	**45.859**	**119.167**	**120.539**
(+) Cost of service	2.189	1.210	707	1.171	191	561	3.087	2.942
(+) Interest expenses	2.893	2.211	1.210	1.690	2.785	2.003	6.888	5.904
(+/-) Actuarial gains or losses	(551)	(682)	(3.122)	(3.504)	(3.054)	13.296	(6.727)	9.110
(-) Payments	(5.697)	(3.408)	(4.612)	(4.617)	(367)	(11.729)	(10.676)	(19.754)
(+/-) Exchange rate differences	3.143	188	-	-	492	238	3.635	426
Current value of obligations at December 31st	**49.433**	**47.456**	**15.666**	**21.483**	**50.275**	**50.228**	**115.374**	**119.167**

Table 44

Actuarial gains and losses are recognized in the income statement under other comprehensive income.

The Group made contributions to defined contribution plans for pensions for the period in the amount of $61.935 (2014 - $50.000); and severance compensation for the period in the amount of $28.127 (2014 - $22.031).

The undiscounted estimated for payments over the next five years, are as follows:

Year of expiration	Future value
2016	6.069
2017	6.205
2018	18.203
2019	18.743
2020	7.641
More than 5 years	403.591
Total	**460.452**

Table 45

The weighted average duration of the Group's obligations for the pension plan is 24 years. The weighted average duration of the Group's obligations for severance plans is 7 years. The other benefit plans have duration of 40 years maximum.

23.2 OTHER LONG-TERM BENEFITS

Long-term benefits include primarly Seniority Premiums and variable long-terms compensation bonuses. The following is the reconciliation of movements of other long-term employee benefits.

	Seniority Premium		Other Long-term Benefits		Total	
	2015	2014	2015	2014	2015	2014
Present value of obligations at January 1st	**62.342**	**62.200**	**30.973**	**24.571**	**93.315**	**86.771**
(+) Cost of service	6.895	6.141	15.378	15.977	22.273	22.118
(+/-) Interest income or (expense)	3.841	5.241	1.856	1.536	5.697	6.777
(+/-) Gains or losses	(5.207)	(5.379)	(689)	(1.523)	(5.896)	(6.902)
(-) Payments	(5.766)	(5.945)	(11.093)	(9.369)	(16.859)	(15.314)
(+) Businness combinations	646	-	-	-	646	-
(+/-) Exchange rate differences	114	84	(55)	(219)	59	(135)
Present value of obligation at December 31st	**62.865**	**62.342**	**36.370**	**30.973**	**99.235**	**93.315**

Table 46

23.3 EXPENSES FOR EMPLOYEE BENEFITS

	2015	2014
Long-term benefits	1.198.896	978.118
Post-employment benefits		
Defined contribution plans	90.063	72.031
Defined benefit plans	3.087	2.942
Other long-term employee benefits	16.378	15.216
Termination benefits	11.735	10.266
Total	**1.320.159**	**1.078.573**

Table 47

23.4 ACTUARIAL ASSUMPTIONS

The main actuarial assumptions used in the actuarial measurement of the defined and long-term plans are:

	2015	2014
Discount rates	6,31%-8,81%	6,31%
Salary increase rates	3%-6,7%	4,38%
Employee turn-over rates	2,54%	2,54%

Table 48

The interest rate used to discount is determined using a reference in the market yields at the date of balance sheet, corresponding to emission of corporate bonds or high quality corporate obligations. The salary increase rate was determined with a based upon the variable macroeconomics of each country.

NOTE 24.

PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

	2015	2014	01/01/2014
Legal contingencies	1.875	1.431	675
Return of goods	1.155	986	1.809
Onerous contracts	1.385	-	-
Total Provisions	**4.415**	**2.417**	**2.484**

Table 49

Legal contingencies: Grupo Nutresa has labor and administrative disputes, which are currently pending before administrative and judicial entities, in the respective countries in which it operates. Taking into account the reports of the Legal Counsel, the Management considers said litigations will not significantly impact the financial condition or solvency of the Group, inclusive, in the event of an adverse outcome of any litigation. There are no such relevant judicial proceedings that should be disclosed in the financial statement at December 31st of 2015 and 2014.

Returned goods: A provision is recognized for the return of goods of holiday seasoned products, made by customers in the following period, mainly in the Biscuit Business.

Onerous contracts: At the time of the acquisition of Grupo El Corral, a provision is recognized, for the amount of $1.385 for lease contracts on property, which is not currently involved in any commercial activity and therefore generates no income. The provision was calculated by projecting payable rent within 36 months.

Contingent assets and liabilities

No contingent assets and liabilities are identified that are quantitatively or qualitatively material, and should be disclosed in the financial statements to December 31st of 2015 and 2014.

NOTE 25.

OTHER LIABILITIES

	2015	2014	01/01/2014
Derivative financial instruments (See Note 21.6)	13.451	6.508	193
Pre-payments and advances received(*)	8.443	4.147	2.985
Other	4.747	3.230	2.232
	26.641	**13.885**	**5.410**

Table 50

(*) The observable increase for pre-paymentsand advances, received between 2014 and 2015, are mainly due to change in negotiations with Bimbo de Colombia S.A. with relationship to the sales of raw materials.

NOTE 26.

LEASES

26.1 GRUPO NUTRESA AS LESSEE

The Group leases mainly computer equipment , vehicles, buildings for storage, offices, and commercial stores; these contracts have been evaluated on the basis of the terms and conditions of the agreements, the lease term , the economic life of the asset, among others, to assess the substantial transfer of risks and benefits, of the ownership of these assets.

26.1.1 FINANCIAL LEASES

The amount of property, plant and equipment in financial leases totaled $21.391 at December 31, 2015 (2014 - $12.275). The financial liabilities for these leases amounted to $18.712 (2014 - $9.531)

Future minimum payments for leases, under these contracts, and the present value of the minimum payments are as follows:

	2015
Up to 1 year	5.242
2 to 5 years	11.850
More than 5 years	4.317
Total of payments	**21.409**
Minus finance charges	(2.697)
Present value	**18.712**

Table 51

The Group maintains 106 financial leases and leases with option to buy, related to various components of property, plant and equipment. Each leasing contract has particular clauses, for each particular contract, which sets rates, ranging from DTF + 2,23%, and average length is between 5 and 98 years.

26.1.2 OPERATING LEASES

The group has entered into operating leases on land, building, production equipment machinery, transportation equipment and computer equipment, which have average terms of 8 years.

To December 31, 2015 operating lease expenses were $229.342 (2014 - $148.765), mainly generated from property leases, which were used for the normal operation of the company.

The minimum payments for operating leases, under "non-cancellable" contract, at December 31st are as follows:

	2015
Up to 1 year	102.473
From 2 to 5 years	497.174
More than 5 years	859.192
Total of payments	**1.458.839**

Table 52

26.2 GRUPO NUTRESA AS LESSOR

Grupo Nutresa has 13 properties under operating leases, (primarily buildings) with a book value of $16.489 at December of 2015, upon which income of $1.611 (2014 - $1.639), with a duration period between 1 to 10 years.

The total amount of future minimum non-cancelable operating lease payments at December 31st, are as follows:

	2015
Up to 1 year	1.063
From 2 to 5 years	4.834
More than 5 years	8.697
Total of payments	**14.594**

Table 53

NOTE 27.

EQUITY

27.1 SUBSCRIBED AND PAID SHARES

As of December 31st of 2015 and 2014, the balance of capital of the Parent Company was $2.301, representing a total of 460.123.458 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 $546.831, from the issuance of shares made in previous periods.

27.2 RESERVES

Of the accounts that make up the equity, reserves at December 31st of 2015 and 2014 are as follows:

	2015	2014	01/01/2014
Legal reserves	75.010	74.721	73.953
Hyperinflationary reserves (Note 29)	329.130	279.827	236.773
Other reserves	1.543.280	1.402.869	1.218.417
Total Reserves	**1.947.419**	**1.757.417**	**1.529.143**

Table 54

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.

Other reserves: Corresponds to voluntary reserves, substantially unrestricted by the Shareholders..

27.3 DISTRIBUTION OF DIVIDENDS

The ordinary Shareholders at the meeting, held on March 27, 2015, decreed ordinary share dividends of $38.5, per-share and per-month ($462 annually per share), over 460.123.458 outstanding shares, during the months between April 2015 and March 2016, inclusive, for a total of $212.577 (2014 - $198.773).

During 2015, dividends were paid in the amount of $208.480 (2014 - $194.488).

27.4 NON-CONTROLLING INTEREST

Equity of non controlling interest at December 31st of 2015 and 2014 is as follows:

		% Non-controlling interest		2015		2014		01/01/2014
Subsidiary	**Country of Origin**	**2015**	**2014**	**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**	**Non-controlling Interest in Equity**
Novaceites S.A.	Chile	50,00%	50,00%	24.897	1.211	22.080	1.746	17.033
La Recetta Soluciones Gastronómicas Integradas S.A.S.	Colombia	30,00%	30,00%	375	(24)	397	(24)	422
Setas Colombianas S.A.	Colombia	0,52%	0,52%	260	18	231	16	324
POPS One LLC	USA	0,00%	2,00%	-	-	-	(5)	5
POPS Two LLC	USA	0,00%	2,00%	-	-	-	(5)	5
Helados Bon	Dominican Republic	18,82%	18,82%	4.308	1.310	2.876	441	1.720
Fondo de Capital Privado "Cacao para el Futuro" – Compartimento A	Colombia	16,59%	16,59%	4.528	211	4.334	121	-
Schadel Ltda	Colombia	0,12%	-	9	1	-	-	-
Others				(18)	(60)	-	-	-
Total				**34.359**	**2.667**	**29.918**	**2.290**	**19.509**

Table 55

During 2015, Setas de Colombia S.A. distributed dividends in the amount of $2.050 (2014 - $5.126), of which $11 was paid to non-controlling interests.

NOTE 28.

OTHER COMPREHENSIVE INCOME, ACCUMULATED

Below is a breakdown of each of the components of accumulated other comprehensive results, in the consolidated financial statements:

	2015	2014	01/01/2014
Actuarial gains/losses (28.1)	(7.895)	(12.325)	(11.814)
Financial Instruments (28.2)	3.237.753	3.831.947	3.373.338
Associates and joint ventures (28.3)	6.705	766	(754)
Exchange translation reserves (28.4)	338.513	(14.351)	-
Total other comprehensive income, accumulated	**3.575.076**	**3.806.037**	**3.360.770**
Non-controlling interest	(5.598)	(3.676)	-
Total OCI attributed to controlling interest	**3.569.478**	**3.802.361**	**3.360.770**

During the period, no reclassification of gains/losses previously recognized in other comprehensive income to profit and loss, was realized.

The following is a breakdown of each component of comprehensive income reconciliation, of the opening and closing balances at December 31st of 2015 and 2014:

28.1 GAINS (LOSSES) 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, mainly due to pensions, retroactive severance, and other retirement benefits in Colombia and Chile. The net value of the new measurements are transferred to retained earnings and not reclassified to the income statement.

	2015	2014
Book value at January 1st	**(12.325)**	**(11.814)**
Gains/losses from re-measurement	6.727	(9.110)
Other movements	-	5.588
Income tax	(2.297)	3.011
Book value at December 31st	**(7.895)**	**(12.325)**

Table 57

28.2 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 values 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.

	2015	2014
Book value at January 1st	**3.831.947**	**3.373.338**
Profit/loss measurements for the period	(599.282)	458.736
Associated income tax	5.088	(127)
Book value at December 31st	**3.237.753**	**3.831.947**

Table 58

See Note 20 for detailed information on these investments.

28.3 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.

	2015	2014
Book value to January 1st	**766**	**(754)**
Gains and losses for the period	5.939	1.520
Book value to December 31st	**6.705**	**766**

Table 59

28.4 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, Venezuela, Panama, and other Latin American countries that represent 37,21% to 31,19% of total consolidated assets in 2015 and 2014, 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 companies in other comprehensive income is as follows:

	2015	2014
Chile	179.973	81.604
Costa Rica	139.107	62.039
United States	28.453	15.183
Mexico	13.709	10.467
Peru	43.730	39.841
Venezuela	(57.854)	(230.880)
Panama	(4.822)	(515)
Other	10.568	7.910
Impact of exchange for the period	**352.864**	**(14.351)**
Reserves for exchange at the opening balance	(14.351)	-
Reserves for exchange at the closing balance	**338.513**	**(14.351)**

Table 60

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.

Impact from translation of Venezuela

Exchange Agreement 33 of February 2015, applicable to Industria de Alimentos Hermo de Venezuela S.A. and Cordialsa Noel de Venezuela S.A., created the Marginal Currency Systems Administration (SIMADI). This system establishes that the exchange rates for purchase and sale of foreign currency shall be established by the parties, involved in the transaction. During 2015, the subsidiaries of the company obtained a foreign exchange settlement, through this mechanism. At the end of 2015, through SIMADI the exchange rate stood at 198,6986 Bolivars per US Dollar (2014 - $49,9883 Bolivars per US Dollar).

The main impact on the consolidated financial statements of Grupo Nutresa at December 31, 2015, due to the movement to use this type of exchange is as follows:

- A reduction in net equity in "differences from translation" in the amount of $57.854 (2014 - $230.880) (See Note 28.4), as a result of the impact of the translation to Colombian Pesos at the new exchange rate partially offset by the impact on equity of inflation adjustment for the period $49.303 (2014 - $43.054).
- The results of Grupo Nutresa in Venezuela have been converted to the new exchange rate, implying a decrease in EBITDA of $90.817 (2014 - $121.557) and the profit for the year of approximately $12.086 (2014- $110.184).

NOTE 29.

HYPERINFLATIONARY ECONOMIES

Venezuela is considered a hyperinflationary country as of 2009, by Grupo Nutresa, and from that year, the financial statements of Industrias Alimenticias Hermo de Venezuela S.A. and Cordialsa Venezuela S.A. are restated in terms of the measurement of current unit, at the closing date for period. Losses on the net monetary position was $32.160 for 2015 (2014 - $12.771); reserves for the revaluation at December 31, 2015 in the amount of $329.130 (2014 - $279.827, 01/01/2014 - $236.773).

Inflation rates used to prepare the information for 2015 are 190,6% (2014 – 68,5%). The inflation rate for 2014 is consistent with the national consumer price index (CPI), published by the *Central Bank of Venezuela* (BCV). The percentage used in 2015 consists of a 108,7% published by the BCV until September, and a projection for the months of October, November, and December, using the procedure 2, as suggested by the Federation of Associated Public Accountants of Venezuela (FCCPV), taking the average of the last three months known as the value for the first month unpublished, and so on until the completion of the twelve indices of the year.

NOTE 30.

EXPENDITURE BY NATURE

Below is a detailed breakdown of expenditures by nature, for the period:

	2015	2014
Inventory consumption and other expenses	3.463.889	2.739.274
Employee benefits (23.3)	1.320.159	1.078.573
Other services (1)	938.027	789.789
Other expenses	434.003	360.959
Leases	229.342	148.765
Transport services	242.605	224.287
Depreciation and amortization (2)	200.203	164.738
Advertising material	126.897	118.543
Fees	100.266	76.355
Taxes other than income tax	64.091	46.917
Insurance	28.760	24.673
Impairment of assets	12.682	18.618
Total (3)	**7.160.924**	**5.791.491**

Table 61

(1) Other services include primarily advertising and media $178.297 (2014 - $148.866), energy $77.399 (2014 - $58.930), cleaning services $48.914 (2014 - $41.217), construction services $44.422 (2014 - $39.702), gas services $39.530 (2014 - $31.641), restaurants for $38.941 (2014 - $34.791), among others.

(2) Expenses for depreciation and amortization impacted the profit and loss for the period, as follows:

	2015	2014
Cost of sales	124.014	98.579
Administration expenses	12.880	16.924
Sales and distribution expenses	60.879	46.015
Production expenses	2.430	3.220
Total	**200.203**	**164.738**

Table 62

(3) In 2015, total expenses of the Group increased by $322.086, due to the incorporation of Grupo El Corral to the consolidated financial statements; this increase is primarily due to the consumption of inventory and other costs ($118.682), employee benefits ($75.110), leasing ($41.999), other services ($33.138).

NOTE 31.
OTHER OPERATING INCOME (EXPENSES)

The following is a breakdown of other operating income (expenses) for the period 2015 and 2014, are as follows:

	2015	2014
Donations	(11.242)	(10.247)
Income (expenses) from indemnities (1)	(105)	(8.287)
Disposal and removal of property, plant and equipment and intangibles	1.631	(3.059)
Fines, penalties , litigation and legal processes	(1.968)	(5.321)
Government grants (2)	3.880	-
Sponsorships (3)	2.754	-
Incidentals	1.276	1.844
Other income and expenses	(653)	(555)
	(4.427)	**(25.625)**

Table 63

(1) In 2014, indemnities were recognized for dealers due to cancellation of the contracts, as part of the restructuring process for the TMLUC business in the amount of $7.192.

(2) During 2015, $3.880 was recognized under "Other operating income", primarily in Abimar Foods Inc., from government subsidies received from the Development Corporation Of Abilene (DCOA) , an organization that provides financial assistance to private companies to facilitate maintenance and expansion of employment or attract more investment that will in turn contribute to further economic development in Abilene. This loan is associated with the acquisition of a new production line of crackers, which initiated operations in June of 2015. As an incentive to purchase the building, DCOA granted a loan USD $2.500.000 for two years without interest. In addition, in March 2015, following pre-certification for the investment and compliance of other requirements necessary to receive said subsidies, debt forgiveness in the amount of USD $1.500.000 ($3.880), was received.

(3) With the addition of Grupo El Corral in 2015, revenues from sponsorships for $2.754 are recognized; this type of income is part of the development of consumer food business

NOTE 32.
FINANCIAL INCOME AND EXPENSES

32.1 FINANCIAL INCOME

The balance at December 31st of 2015 and 2014 included:

	2015	2014
Interest income on short-term investments	7.892	10.628
Valuation of other financial instruments	1.434	744
Others	502	500
	9.828	**11.872**

Table 64

Income from the valuation of other financial instruments corresponds to the valuation of the rights held by the private equity "Cacao para el Futuro".

32.2 FINANCIAL EXPENSES

The financial expenses recognized in the income statement at December 31st of 2015 and 2014, are as follows:

	2015	2014
Loans interest	148.416	92.975
Bonds interest	47.232	42.700
Interest from financial leases	733	753
Other interest	11.034	11.910
Total interest expenses	**207.415**	**148.338**
Other financial expenses	27.481	22.310
Total financial expenses	**234.896**	**170.648**

Table 65

The increase in interest expenses from period to period is mainly due to the interest generated during 2015, for financing the acquisition of Grupo El Corral and the increase in benchmark rates (CPI, IBR, DTF, among others).

NOTE 33.

EXCHANGE RATE VARIATION IMPACT

33.1 MAIN CURRENCIES AND EXCHANGE RATES

Herewith is an evolution of exchange rates at close, to Colombian Pesos from foreign currencies, corresponding to the functional currency of Grupo Nutresa´s subsidiaries, which have a significant impact on the consolidated financial statements:

		2015	2014	01/01/2014
Panamanian Balboas	PAB	3.149,47	2.392,46	1.926,83
Costa Rican Colons	CRC	5,78	4,38	3,79
Nicaraguan Cordobas	NIO	112,77	89,96	76,06
Peruvian Nuevo Sole s	PEN	923,60	800,16	689,14
US Dollars	USD	3.149,47	2.392,46	1.926,83
Mexican Pesos	MXN	181,63	162,38	147,48
Guatemalan Quetzals	GTQ	412,65	314,94	245,73
Venezuelan Bolivars	VEF	15,85	47,86	305,85
Dominican Pesos	DOP	69,14	53,93	45,03
Chilean Pesos	CLP	4,43	3,95	3,67
Argentinean Pesos	ARS	242,72	279,75	295,61

Table 66

33.2 DIFFERENCES IN EXCHANGE RATES FOR FOREIGN CURRENCY TRANSACTIONS

The differences in exchange rates of assets and liabilities, recognized in profit and losses are as follows:

	2015	2014
Realized	(4.715)	6.266
Unrealized	7.334	5.140
Operating exchange differences	**2.619**	**11.406**
Non-operating exchange differences	**27.181**	**18.479**
Total impact on income of exchange differences	**29.800**	**29.885**

Table 67

Note 21.6 discloses information related to hedging transactions that have an impact on profit/loss from exchange differences.

NOTE 34.
DISCONTINUED OPERATIONS

2015: Under the project of Tresmontes Lucchetti for a manufacturing plant in Jalisco-Mexico, the instant iced beverages production lines was transferred from the Tresmontes S.A. in Chile, to the new complex Tresmontes Lucchetti Mexico. This transfer resulted in costs attributable to severance for personnel, production, logistics, exportation, and administration associated with these production lines and provisions for northern markets.

All expenses incurred in the restructuring in Tresmontes S.A. were recognized in the consolidated financial statements, as part of discontinued operations, in the second quarter of 2015.

This restructuring of the production is intended to diversify risk, production efficiency, and afford provisions in a timely manner, to fulfill the needs of the North American and Caribbean markets.

2014: The Administration of Tresmontes Lucchetti, through analysis of the performance of the business and future prospects, as well as, alternative scenarios for the course of the operations, decided to end both manufacturing and commercial operations in Argentina and Peru. The closure of operations in Argentina was carried out between March and June of 2014, while in Peru, it was conducted between April and December of the same year; this closure generated layoff of personnel, collection and payment of assets and liabilities of the company, sale of fixed assets, and payment of liabilities.

	2015	2014
Income	-	3.808
Costs	(161)	(2.587)
Expenses	(6.151)	(11.774)
Operational losses	**(6.312)**	**(10.553)**
Financial expenses	(23)	(1.195)
Losses before taxes	**(6.335)**	**(11.748)**
Income tax	-	(266)
Net loss after taxes	**(6.335)**	**(12.014)**

Table 68

NOTE 35.
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:

	2015	2014
Net income attributable to holders of ordinary equity of the Parent	**428.152**	**587.226**
Continuing operations	437.154	601.530
Discontinued operations	(6.335)	(12.014)
Outstanding shares	460.123.458	460.123.458
Earnings per share attributable to controlling interest	**930,77**	**1.276,58**

Table 69

There are no equity instruments with potential dilutive impact on earnings per share.

NOTE 36.

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.

36.1 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 28. The Company and its subsidiaries held the following assets and liabilities in foreign currencies accounted for the equivalent in Colombian pesos to December 31st.

	2015		2014	
	USD	$	USD	$
Current assets	428.791.075	1.350.464	572.187.510	1.368.936
Non-current assets	954.708.792	3.006.827	1.047.746.500	2.506.692
Total assets	**1.383.499.867**	**4.357.291**	**1.619.934.010**	**3.875.628**
Current liabilities	(252.361.533)	(794.805)	(215.496.520)	(515.567)
Non-current liabilities	(136.412.189)	(429.626)	(217.205.913)	(519.656)
Total liabilities	**(388.773.722)**	**(1.224.431)**	**(432.702.433)**	**(1.035.223)**
Net assets	994.726.145	3.132.860	1.187.231.577	2.840.405

Table 70

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 21.4).

To evaluate the sensitivity of balances of financial obligations related to exchange rates, all of the obligations, to December 31, 2015, 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, generates an increase of $8.097 over the book value.

36.2 EXCHANGE 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 Company 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 21.

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 interest expense of the Group would increase by $27.858.

36.3 COUNTERPARTY CREDIT RISK

Liquid assets are invested primarily in savings accounts; collective funds and short-term CDT comply with the risk policy of the Company, in both amount and issuer. In addition, the Company evaluates credit risk of counterparties for the financial institutions with which it is related.

36.4 LIQUIDITY RISK

The Parent Company and its subsidiaries are 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

NOTE 37.

FAIR VALUE MEASUREMENT

The following table shows the fair value hierarchy measurement of assets and liabilities of the Group:

Type of Asset	Hierarchy of Fair Value Measurement			Fair value of assets
	Level 1	Level 2	Level 3	
Assets whose fair value is disclosed in the notes to the financial statements				
Investment properties (1)	-	103.538	-	103.538
Assets measured at fair value	**3.412.980**	**89.626**	**5.169**	**3.507.775**
*** Recurrent**	**3.412.980**	**89.626**	**-**	**3.502.606**
-Investments in quoted shares (2) (Note 20)	3.412.980	-	-	3.412.980
-Other financial assets (3) (Note 12)	-	34.324	-	34.324
-Financial derivatives (4) (Note 21.6)	-	10.522	-	10.522
-Biological assets (5) (Note 11)	-	44.780	-	44.780
***Non- recurrent**	**-**	**-**	**5.169**	**5.169**
-Investments in non-quoted shares (3) (Note 20)	-	-	5.169	5.169
Total	**3.412.980**	**193.164**	**5.169**	**3.600.791**

Table 71

(1) The fair value of investment property was determined by an independent appraiser using the income approach and market. This means that valuations are based on quoted prices in active markets, adjusted for differences in the nature, location and / or condition of the particular property; in addition to the properties for which no active market was found, the method of discounted cash flows was used, using the future cash flows derived from the leasing of real estate.

(2) 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 done monthly.

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.

(3) Corresponds to the rights held for "Fondo de Capital Privado – Cacao para el futuro", valued according to the regulations of the fund, using the methodology approved by the Financial Superintendence of Colombia. The valuation uses variables like the price of cocoa at $6,4 pesos/ton, an average productivity of 1.800 – 1.900 tons per hectare, cost of the debt of DTF + 3,6%, and a expected redemption term of 18 years.

(4) All financial derivatives are measured at fair value on a monthly basis, according *to the valuation method* of Black Scholes. These items are classified in Level 2, of the fair value hierarchy.

(5) 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.

NOTE 38.

DISCLOSURE OF RELATED PARTIES

The following table shows related parties' transactions, at the year-end:

	2015							
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.	543	658	2	39.130	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd.	56	8	17	(350)	-	-	46	-
Oriental Coffee Alliance (OCA)	-	-	24	-	-	-	-	-
Estrella Andina S.A.S.	-	-	-	-	-	-	-	-
Entities with significant influence over the entity								
Grupo Suramericana	13.799	7.896	60.283	26.489	25.062	73.750	-	-
Other related parties								
Grupo Bancolombia	535	891.982	48.492	2.202	-	-	59	57.259
Grupo Argos	5.448	-	-	1.084	21.388	17.383	-	-
Fundación Nutresa	40	-	5.400	-	-	-	-	-
Corporación Vidarium	164	24	2.735	-	-	-	-	-
Members, Board of Directors	-	103	459	-	-	-	-	-

Table 72

	2014							
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.	3.304	677	12	34.033	-	-	-	-
Dan Kaffe (Malaysia) Sdn. Bhd.	6.332	-	25	1.172	-	-	-	-
Oriental Coffee Alliance (OCA)	-	5	5	-	-	-	-	-
Estrella Andina S.A.S.	-	-	-	-	-	-	-	-
Entities with significant influence over the entity								
Grupo Suramericana	12.048	9.160	56.335	23.254	23.161	68.444	-	-
Other related parties								
Grupo Bancolombia	455	776.602	43.495	2.070	-	-	923	49.040
Grupo Argos	5.215	-	-	1.106	19.792	16.178	-	-
Fundación Nutresa	142	-	5.385	-	-	-	-	-
Corporación Vidarium	294	2	2.522	3	-	-	-	-
Members, Board of Directors	-	10	418	-	-	-	-	-

Table 73

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 $103.674 (2014 – $88.599) for 166 key personnel (2014 – 151 employees) were made.

NOTE 39.
EVENTS AFTER THE REPORTING PERIOD

These consolidated financial statements were authorized for issue by the Board of Grupo Nutresa on February 26, 2016 and will be subject to approval by March 18, 2016 at the Shareholders' Meeting.

In January 2016, a liability in the amount of $21.864 was recorded, corresponding to the yearly tax on wealth of Colombian companies; in accordance with the accounting policies adopted by the Group and the current regulations in Colombia, the impact was registered under the equity, under freely available reserves.

Otherwise, no significant events after the close of the financial statements and until the date of approval that may significantly affect the financial position of Grupo Nutresa reflected in the financial statements ended December 31, 2015.

NOTE 40.
TRANSITION TO INTERNATIONAL FINANCIAL REPORTING STANDARDS - IFRS

The consolidated financial statements, for the year ended in December 31st of 2015 have been prepared in accordance with International Financial Reporting Standards (IFRS), approved in Colombia through Decree 2784 of 2012, its regulations and other accounting standards mandated by the Financial Superintendence of Colombia, as described in accounting policies. Grupo Nutresa applied IFRS 1 to recognize the transition of its financial statements from local standards to IFRS, preparing its opening balance sheet at January 1, 2014.

40.1 TRANSITION POLICIES AND PROCEDURES

40.1.1 OPTIONAL EXCEPTIONS TO THE RETROSPECTIVE APPLICATION OF IFRS:

Herewith, are the main limited exemptions contained in IFRS 1 for its process of transition:

Cost attributed to property, plant and equipment and investment properties: the Company used as deemed cost the carrying value, recognized at December 31, 2013, under COLGAAP, for assets that had value to that cut in local companies; for other assets, the fair value option was used

Business combinations: IFRS 3 has been applied retrospectively to business combinations completed after June 2013. The use of this exception implies that for the other business combinations, the goodwill value corresponds to the value recognized under the previous accounting principles; these, goodwill amounts were subjected to evaluation of impairment and corresponding losses were charged to retained earnings.

Accumulated translation differences: accumulated translation differences for all foreign operations are deemed to be zero at the date of transition to IFRS.

Designation of previously recognized financial instruments: equity instruments were classified as "measured at fair value", with changes in equity based on existing circumstances at the date of transition to IFRSs.

Measurement of assets and liabilities of subsidiaries, associates and joint ventures: for foreign companies that had adopted IFRS before the transition date of the Parent Company, assets and liabilities are incorporated into the consolidated financial statements as the book value set in the financial statements of the subsidiary, after making the necessary approvals needed for the uniform application of accounting policies, established by Grupo Nutresa.

Other exceptions: the measurement of financial instruments at fair value upon initial recognition is applied prospectively; like the decline of financial assets and liabilities, capitalization of borrowing costs for qualifying assets, and the measurement of government grants.

40.1.2 USE OF ESTIMATES

Accounting estimates made by Grupo Nutresa to January 1, 2013 and December 31, 2014, reflect the existing conditions at the transition date and comparative period, and are consistent with estimates made for the same date under COLGAAP (after which the necessary adjustments, are made to reflect any differences in accounting policies), items that significantly differ are:

- Pensions, termination, and other long-term employee benefits
- Fair value of property, plant and equipment and investment property
- Fair value of financial instruments and derivatives

40.2 RECONCILIATION

The following reconciliation provides a quantification of the impact of transition to IFRS, during 2014:

40.2.1 RECONCILIATION OF GRUPO NUTRESA'S EQUITY AT JANUARY 1, 2014

		COLGAAP	Adjustments and reclassifications	IFRS	Notes 40.2.4
Assets	Cash and cash equivalents	415.478	389	**415.867**	
	Accounts receivable	857.299	(121.188)	**736.111**	(a) (b)
	Inventories	725.323	(27.168)	**698.155**	(a) (c)
	Biological assets	-	40.023	**40.023**	(c)
	Financial instruments	357.830	3.200.181	**3.558.011**	(d)
	Investments in associated and joint ventures	-	79.310	**79.310**	(d)
	Property, plant and equipment	1.456.074	1.400.460	**2.856.534**	(a) (e) (f)
	Investment properties	-	73.773	**73.773**	(e)
	Intangibles and goodwill	2.038.332	(6.861)	**2.031.471**	(g) (h)
	Deferred tax assets	39.814	82.580	**122.394**	(i)
	Pre-paid expenses and other assets	77.911	42.052	**119.963**	(a) (d)
	Valuation surplus	4.612.437	(4.612.437)	-	(d) (f)
Total Assets		**10.580.498**	**151.114**	**10.731.612**	
Liabilities	Financial obligations	1.996.737	20.335	**2.017.072**	(j)
	Trade and other payables	638.873	(45.407)	**593.466**	(h) (j) (k)
	Tax charges	159.523	16.383	**175.906**	(k)
	Employee benefits liabilities	138.378	203.422	**341.800**	(l)
	Estimated liabilities and provisions	54.184	(51.700)	**2.484**	(l) (m)
	Deferred tax liabilities	159.573	290.573	**450.146**	(i)
	Other	3.159	2.251	**5.410**	
Total Liabilities		**3.150.427**	**435.857**	**3.586.284**	
Non-controlling interest		19.209	300	**19.509**	
SHAREHOLDER EQUITY		**7.410.862**	**(285.043)**	**7.125.819**	

Table 74

40.2.2 CONCILIATION OF GRUPO NUTRESA'S NET INCOME FOR THE PERIOD BETWEEN JANUARY 1ST AND DECEMBER 31ST 2014

	December 2014 COLGAAP	Adjustments and reclassifications	December 2014 IFRS	Notes 40.2.4
Operating revenue	6.469.752	20.061	6.481.813	(n) (o)
Cost of goods sold	(3.591.978)	(26.739)	(3.618.717)	(f) (n)
Gross profit	**2.869.774**	**(6.678)**	**2.863.096**	
Administrative expenses	(408.021)	79.653	(328.368)	(f) (n)
Sales expenses	(1.703.834)	(5.481)	(1.709.315)	(f) (h) (n) (o)
Production expenses	(119.579)	(15.512)	(135.091)	(f) (n)
Exchange rate differences in operating assets and liabilities	-	11.406	11.406	
Other operating expenses, net	-	(25.625)	(25.625)	
Operating income	**638.340**	**37.763**	**676.103**	
Financial income	12.633	(761)	11.872	
Financial expenses	(157.945)	(12.703)	(170.648)	
Exchange difference on non-operating assets and liabilities	25.572	(7.093)	18.479	
Loss on net monetary position	(9.122)	(3.649)	(12.771)	(n)
Share of profit of associates and joint ventures	-	3.222	3.222	(d)
Dividend portfolio	53.017	(9.622)	43.395	(b)
Other income (expense), net	(18.827)	25.852	7.025	(p)
Income before income tax and non-controlling interest	**543.668**	**33.009**	**576.677**	
Current income tax	(152.103)	3.246	(148.857)	
Deferred income tax	(11.583)	185.293	173.710	(i)
Profit after tax from continuous operations	**379.982**	**221.548**	**601.530**	
Discontinued operations after income tax	-	(12.014)	(12.014)	
Net profit for the year	**379.982**	**209.534**	**589.516**	
Non-controlling interest	(2.411)	121	(2.290)	
Profit attributable to shareholders	**377.571**	**209.655**	**587.226**	

Table 75

40.2.3 RECONCILIATION OF EQUITY OF GRUPO NUTRESA AT DECEMBER 31, 2014

		Notes 40.2.4
COLGAAP equity value at December 31, 2014	8.198.774	
IFRS equity value at December 31, 2014	**8.001.755**	
Variation	**(197.019)**	
Employee benefits liabilities	(156.548)	(l)
Appraised surplus of property, plant and equipment	(111.749)	(f)
Valuation adjustments of property, plant and equipment	50.476	(f)
Goodwill	35.265	(h)
Deferred taxes	(8.837)	(i)
Investments in associates	(6.716)	(d)
Other adjustments	1.090	
Total impact	**(197.019)**	

Table 76

40.2.4 EXPLANATORY NOTES

(a) $15.769 was reclassified from debtors to advances of property, plant and equipment, $5.708 to advances from inventories, $22.502 to advances for costs and expenses (other assets), and $76.627 to assets for current taxes.

(b) Receivable dividends of the investment portfolio, in the amount of $9.622, are recognized as receivables in the opening statement of financial position.

During the transition period, in March 2015, income and accounts receivable from total declared dividends, in portfolio investments, are recognized as such under IFRS. These were recognized under COLGAAP according to payment periods determined by the issuer.

(c) Under IFRS, $27.795 is presented separately in livestock inventories and is classified as biological assets. Also included in this group of accounts, are contractor participation accounts which are recorded as intangibles under COLGAAP, and with a corresponding valuation of $10.623.

(d) Financial instruments include equity investments, over which there is neither control nor significant influence. Primarily, these investments are in Grupo de Inversiones Suramericana S.A. ($2.001.369) and Grupo Argos S.A. ($1.551.402). These are measured in the opening balance sheet at fair value, which signifies that a valuation of $3.290.708 is incorporated into the book value of the financial instruments.

In addition to this, items over which Grupo Nutresa has significant influence over are classified as investments in associates. The Company applied the *equity method* in the opening statement of financial position, and recognized $79.310 as deemed cost; primarily including Bimbo de Colombia S.A., Dan Kaffe Malaysia Sdn., and Estrella Andina S.A.S. The application of the equity method on these investments during the transition period generated revenue of $3.222, which has a net impact on equity, at end of year of $(6.716).

(e) Property classified as investment property was transferred from property, plant and equipment in accordance with the accounting policies established by Grupo Nutresa, and was measured using the revalued amount under COLGAAP in the amount of $73.773, as the deemed cost.

(f) The company took book values revalued under COLGAAP, as deemed costs, for those assets that had been updated in 2013 with technical appraisals, which implicated the inclusion of the carrying value of property, plant and equipment, a valuation in the amount of $1.318.569; for other assets, the fair value option was used and those new appraised values increased the book value by $27.199.

In the case of the foreign companies that reported under IFRS before the Parent Company, book value was taken as deemed cost, the carrying value of the assets of each subsidiary in its financial statements, under IFRS, at the date of transition of the Parent Company; subsequently, there was an increase in the value of the consolidated assets in the amount of $91.221. These adjustments represented a higher value of depreciation expenses in the amount of $17.464.

The impact from the measurement of property, plant and equipment, under IFRS, on Grupo Nutresa's equity is $50.476, at the end of the transition year.

In addition to this, in December of 2014 under COLGAAP, an update of the appraisal surplus was performed, resulting in an increase of $111.749; this equity adjustment is not recorded under IFRS in accordance with the policies adopted by the Group.

(g) For intangibles, other than goodwill, the carrying value under COLGAAP was used as deemed cost.

(h) The Company restated the business combination Tresmontes Lucchetti, acquired in 2013. This restatement had no impact on Grupo Nutresa's consolidated equity, but generated reclassifications between the accounts balance sheets:

Other intangibles	197.824
Goodwill	(175.312)
Property, plant and equipment	6.627
Accounts payable	10.590
Deferred tax liabilities	(36.324)
Other	(3.405)

Table 77

Impairment tests were also performed on goodwill from business combinations not restated, and were recorded with a retained earnings charge of $43.392 for this item. The reversal of the depreciation of goodwill under COLGAAP was homologated for foreign subsidiaries that apply IFRS and resulted in an increase of the value of intangibles in the amount of $17.326.

During the transition period, a reduction in expenditure was generated in the amount of $78.657, due to the non-amortization of goodwill under IFRS. All this generated an accumulative impact of Shareholders' equity, at year-end of transition in the amount of $35.265.

(i) In accordance with COLGAAP, recognition of deferred tax is done, by considering only those temporary differences that arise between the accounting results and fiscal results. Under IFRS, the method used is the called the *"liability method"* and it considers all temporary differences between the accounting and tax bases of assets and liabilities. The net impact on of Grupo Nutresa's opening balance sheet is $207.993 ($82.580 deferred tax assets and a future income tax liability of $290.573).

The difference in methodology for estimation and recognition of deferred taxes and IFRS adjustments realized to profit and loss for the period generated a lower deferred tax expense in the transition year of $8.606. In addition to this, in 2014, goodwill for tax was generated in some of the companies in Chile (Tresmontes Lucchetti Chile S.A., Inmobiliaria Tresmontes Luccetti, and Nutresa de Chile) in the amount of CLP $45.230.485 ($176.687 COP), caused by tax rules applicable in this country, for the advance of the restructuring process TMLUC, with the goal of simplifying its corporate structure. This item is not recognized in the consolidated financial statements under COLGAAP, because it originated in cash accounts rather than results. According to the fiscal projections made by management, the deferred tax assets will be realized over the next 10 years, generating a decrease in net income and therefore a lower amount of tax payable.

The net impact of deferred taxes, under IFRS, in the equity of the Company, at the end of the transition year, is a decrease of $8.837.

(j) The adjustment relates to the measurement at amortized cost of financial obligations, involved including in the balance of obligation, the accrued payable interest, in the amount of $14.415.

(k) Accounts payable were transferred to current payable taxes in the amount of $17.346.

(l) Grupo Nutresa calculated pension liabilities in accordance with the Method IAS 19. In addition, using actuarial calculation, long-term benefits were also recognized using the method of projected unit credit. The company recognized 100% of the profits and losses in its first financial statements under IFRS, under retained earnings. The value of the adjustments made was $151.731.
During 2014, an increase in expenditure was generated, due to employee benefits, in the amount of $4.832, which represents a decrease of equity, after the transition year, in the amount of $156.584.

(m) Provisions transferred in the amounts $51.256 of employee benefits and $2.206 of provisions for costs and expenses, under COLGAAP, are under IFRS not classified as such.

(n) Until December 31, 2013, under COLGAAP, the results of operations of subsidiaries abroad were converted at the accumulated average exchange rate for the period; from the implementation of the International Standards, the Company implemented an accounting policy for translating the results of the period, of foreign companies, to the monthly average of the exchange rate. This change in the translation process generated an impact on net income for 2014, detailed as follows:

	2014
Operating income	57.931
Cost of sales	(45.698)
Gross profit	**12.233**
Administration, sales and production expenses	(16.008)
Monetary corrections	(3.649)
Impact on net income	**(7.424)**

Table 78

(o) In accordance with the definitions of income under IAS 18, these amounts were reclassified to a lower value of operating income in the amount of $42.570 for the year 2014, corresponding to discounts and rebates granted to customers, distributors, and export costs, which under COLGAAP, were recognized under sales expenses. .

(p) As part of the changes in the presentation of the financial statements under IFRS, gains or losses in net monetary correction in the amount of $9.122 are separated from other non-operating income and expenses under COLGAAP for 2014. In addition, under IFRS, results from the sale and write-down of property, plant and equipment and donations, are recognized as other operating income and expenses, generating a loss of $5.683. The results of discontinued operations that under COLGAAP were registered as other income and expenses are presented separately in the amount of $11.001.

40.3 ACCUMULATED RESULTS IN THE PROCESS OF FIRST-TIME ADOPTION IFRS

The process of First-time adoption of IFRS generated accumulated earnings of $1.306.538, in the opening balance corresponding to the following: a decrease due to equity impact from the First-time Adoption in the amount of $285.043, as well as, a net increase due to reclassification of other equity items in the amount of $1.591.581, (translation impact of companies abroad and valuation of property, plant and equipment, and other assets).

In addition, during the transition period, profits of $209.655 were accumulated, representing the difference between the net income attributable to controlling interest for the annual period of 2014 which were $587.226, and the values appropriated by the Shareholders on COLGAAP earnings from the same period; and other adjustments are realized to these accounts in the amount of $1.890 from the corporate restructuring processes developed during that period.

These accumulated $1.542.303 profits are not subject to dividend distribution and will be carried to "Other reserves", once the Shareholders of Grupo Nutresa approve the transfer.

SEPARATE FINANCIAL STATEMENTS

A FUTURE
TOGETHER

Statutory Auditor's Report

To the Shareholders' Meeting of
Grupo Nutresa S. A.

February 26, 2016

I have audited the balance sheet of Grupo Nutresa S. A. at December 31, 2015, and the related statements of comprehensive income, of changes in shareholders' equity, and of cash flows for the year then ended, as well as the summary of significant accounting policies set forth in Note 3 and other explanatory notes.

The Management is responsible for the preparation and fair presentation of these financial statements in accordance with the accounting and financial reporting standards accepted in Colombia. Such responsibility includes: Designing, implementing, and maintaining relevant internal control to the preparation and fair presentation of the financial statements that are free of material misstatements whether due to fraud or error; selecting and applying the appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

My responsibility is to express an opinion about such financial statements based on my audit. I obtained the information necessary to comply with my statutory audit functions and I performed my work in accordance with the auditing standards generally accepted in Colombia. These standards require that I plan and perform the audit to obtain reasonable assurance whether the financial statements are free from material misstatement.

An audit of financial statements involves, amongst other, performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the statutory auditor's judgment, including the assessment of the risks of material misstatement of the financial statements. In making those risk assessments, the statutory auditor considers internal control relevant to the preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes assessing the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Company's management, as well as assessing the overall presentation of the financial statements. I believe that the audit evidence I obtained provides a reasonable basis for the opinion on the financial statements I express below.

In my opinion, the aforementioned financial statements audited by me, which were faithfully taken from the accounting books, present fairly, in all material respects, the financial position of Grupo Nutresa S. A. at December 31, 2015, and the results of its operations and its cash flows for the year then ended, in accordance with the accounting and financial reporting standards accepted in Colombia.

a. The Company's accounting records were kept in conformity with legal regulations and accounting technique.

b. The operations recorded in the books and the acts of the management officials were adjusted to the bylaws and to the decisions of the Shareholders' Meeting.

c. The correspondence, the accounting vouchers, and the minute's books and share register were properly kept and safeguarded.

d. Internal control measures and of preservation and custody of the Company's assets and those of third parties in its possession were observed.

e. Regulations set out in External Circular 062 issued in 2007, by which the Superintendence of Finance established the obligation of implementing mechanisms to prevent and control money laundering and terrorism financing, coming from illicit activities through the stock market, have been complied with.

f. Due concordance existed between the accompanying financial statements and the management's report. The administrators left support in the management's report of the fact that the free circulation of invoices issued by suppliers or sellers was not interrupted.

g. The information included in the forms for self-computation of the contributions to the Integral Social Security System, and particularly the data relating the affiliates and their revenues on which quotations to the system were based, were taken from the accounting records and supporting documents. The Company did not owe payment of overdue contributions to the Integral Social Security System.

(*Original in Spanish signed by:*)

Bibiana Moreno Vásquez
Statutory Auditor
Professional Card No. 167200-T
Member of PricewaterhouseCoopers Ltda

CERTIFICATION OF THE FINANCIAL STATEMENTS

The undersigned legal representative and the General Accountant of Grupo Nutresa S. A.

CERTIFY:

February 26, 2016.

That we have previously verified all assertion, herewith contained in the Consolidated Financial Statements, as of December 31, 2015 and 2014, according to regulations, and those that have been faithfully taken from the financial statements of the Parent Company and its subsidiaries, which have been duly certified and audited.

In accordance with the above stated, regarding to the mentioned financial statements herewith mentioned, we declare the following:

1. Grupo Nutresa's Assets and liabilities, exists, and the transactions recorded were made during the corresponding years.

2. All realized economic transactions have been recorded.

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

4. All elements have been recorded in the appropriate amounts, and in accordance with the generally accepted accounting principles.

5. The economic transactions that affect the companies, have been correctly classified, described and disclosed.

6. The financial statements and notes do not contain misstatements or material inaccuracies which could affect the financial position, shareholders' equity, or operations of the companies. Similarly, appropriate procedures, and financial information disclosure and control systems, have been established and maintained, to insure accurate reporting to third–party users of such information.

Carlos Ignacio Gallego Palacio
President

Jaime León Montoya Vásquez
General Accountant – Professional Card No. 45056-T

Certification of the financial statements Law 964 of 2005

Shareholders
Grupo Nutresa S.A.
Medellin

The undersigned Legal Representative of Grupo Nutresa S. A.

CERTIFIES:

February 26, 2016

That the financial statements and operations of the Company as of December 31, 2015 and 2014 do not contain defects, inaccuracies or errors that prevent knowing their true financial situation.

This is stated to comply with Article 46 of Law 964 of 2005.

As evidence, this is signed on the 26th day of the month of February, 2016.

CIGP.

Carlos Ignacio Gallego Palacio
President

Statement of Financial Position

At December 31st of 2015, 2014 and at January 1, 2014 (Values expressed in millions of Colombian Pesos)

	Notes	2015	2014	January 1, 2014
ASSETS				
Current assets				
Cash and cash equivalents		$ 66	$ 70	$ 58
Trade and other receivables	5	23.203	22.599	13.559
Other current assets	6	606	4.855	4.299
Total current assets		**$ 23.875**	**$ 27.524**	**$ 17.916**
Non-current assets				
Trade and other receivables	5	376	373	375
Investments in subsidiaries	7	4.576.899	3.985.015	3.585.186
Investments in associates	7	81.989	70.817	62.981
Other financial non-current assets	8	3.415.100	4.013.627	3.554.891
Deferred tax assets	9	4.266	4.344	3.781
Other assets	6	21	9	18
Total non-current assets		**$ 8.078.651**	**$ 8.074.185**	**$ 7.207.232**
TOTAL ASSETS		**$ 8.102.526**	**$ 8.101.709**	**$ 7.225.148**
LIABILITIES				
Current liabilities				
Trade and other payables	10	60.490	68.720	69.927
Tax charges	9	168	1.235	2.916
Employee benefits liabilities	11	1.811	1.699	932
Total current liabilities		**$ 62.469**	**$ 71.654**	**73.775**
Non-current liabilities				
Trade and other payables	10	158	158	158
Employee benefits liabilities	11	12.339	11.984	12.113
Deferred tax liabilities	9	5.297	3.027	1.335
Other non-current provisions	7	12.275	12.194	10.950
Total non-current liabilities		**$ 30.069**	**$ 27.363**	**$ 24.556**
TOTAL LIABILITIES		**$ 92.538**	**$ 99.017**	**$ 98.331**
SHAREHOLDER EQUITY				
Share capital issued	12	2.301	2.301	2.301
Paid-in capital		546.832	546.832	546.832
Reserves	12	1.836.225	1.671.478	1.490.355
Other comprehensive income, accumulated	13	3.638.937	3.846.030	3.360.770
Retained earnings		1.558.597	1.346.663	1.726.559
Earnings for the period		427.096	589.388	-
TOTAL SHAREHOLDER EQUITY		**$ 8.009.988**	**$ 8.002.692**	**7.126.817**
TOTAL LIABILITIES AND EQUITY		**$ 8.102.526**	**$ 8.101.709**	**$ 7.225.148**

The notes are an integral part of the consolidated financial statements.

Jaime León Montoya Vásquez
General Accountant - Professional Card No. 45056-T
(See attached certification)

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Bibiana Moreno Vásquez
External Auditor – Professional Card No. 167200-T
Member of PricewaterhouseCoopers Ltda.
(See attached auditor´s report)

Comprehensive Income Statement

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

	Notes	2015	2014
Continuing operations			
Operating revenue		**$ 433.096**	**$ 583.181**
Dividend portfolio	8	46.910	43.328
Share of profit for the period of subsidiaries	7	380.816	534.994
Share of profit for the period of associates	7	5.370	4.859
Gross profit		**$ 433.096**	**$ 583.181**
Administrative expenses	14	(4.390)	(8.199)
Exchange differences on operating assets and liabilities		18	(11)
Other operating income, net	15	1.443	18.172
Operating profit		**$ 430.167**	**$ 593.143**
Financial income		50	78
Financial expenses		(764)	(986)
Exchange differences on non-operating assets and liabilities		15	10
Other income, net		-	(866)
Income before taxes		**$ 429.468**	**$ 591.379**
Current income tax	9	(479)	1.419
Deferred income tax	9	(1.893)	(3.410)
Net profit for the year		**$ 427.096**	**$ 589.388**
Earnings per share* Basic, (in Colombian pesos)	16	928,22	1.280,93

(*) Calculated on 460,123,458 shares, which have not been modified during the period covered by these financial statements

OTHER COMPREHENSIVE INCOME, NET TAXES			
Items that are not subsequently reclassified to profit and loss:			
Actuarial gains (losses) on defined benefit plans	13.1	$ 1.337	$ (6.718)
Investments measured at fair value	13.2	(598.527)	458.736
Income tax components that will not be reclassified	13.1	(455)	2.281
Total items that are not subsequently reclassified to profit and loss		**$ (597.645)**	**$ 454.299**
Items that are or may be subsequently reclassified to profit and loss:			
Share of other comprehensive income of subsidiaries	13.4	389.248	30.961
Share of other comprehensive income of associates	13.3	1.304	-
Total items that are or may be subsequently reclassified to profit and loss:		**$ 390.552**	**$ 30.961**
Other comprehensive income, after tax		**$ (207.093)**	**$ 485.260**
TOTAL COMPREHENSIVE INCOME FOR THE PERIOD		**$ 220.003**	**$ 1.074.648**

The notes are an integral part of the consolidated financial statements.

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Change in Equity Statement

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

	Share capital issued	Paid-in capital	Reserves	Retained earnings	Profit for the period	Other comprehensive income, accumulated	Total equity
Equity at January 1, 2015	**$ 2.301**	**$ 546.832**	**$ 1.671.478**	**$ 1.346.663**	**$ 589.388**	**$ 3.846.030**	**$ 8.002.692**
Profit for the period					427.096		427.096
Other comprehensive income for the period, net of income tax						(207.093)	(207.093)
Comprehensive income for the period					**427.096**	**(207.093)**	**$ 220.003**
Cash dividends (Note 12)				(212.577)			(212.577)
Transfer to results of previous year				589.388	(589.388)		-
Appropriation of reserves			164.877	(164.877)			-
Tax on wealth (Note 9)			(130)				(130)
Equity at December 31, 2015	**$ 2.301**	**$ 546.832**	**$ 1.836.225**	**$ 1.558.597**	**$ 427.096**	**$ 3.638.937**	**$ 8.009.988**
Equity at January 1, 2014	**$ 2.301**	**$ 546.832**	**$ 1.490.355**	**$ 1.726.559**	**$ -**	**$ 3.360.770**	**$ 7.126.817**
Profit for the period					589.388		589.388
Other comprehensive income for the period, net of income tax						485.260	485.260
Comprehensive income for the period					**589.388**	**485.260**	**$ 1.074.648**
Cash dividends (Note 12)				(198.773)			(198.773)
Appropriation of reserves			181.123	(181.123)			-
Equity at December 31, 2014	**$ 2.301**	**$ 546.832**	**$ 1.671.478**	**$ 1.346.663**	**$ 589.388**	**$ 3.846.030**	**$ 8.002.692**

The notes are an integral part of the consolidated financial statements.

Jaime León Montoya Vásquez
General Accountant - Professional Card No. 45056-T
(See attached certification)

CIGP.

Carlos Ignacio Gallego Palacio
President
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Cash-flow Statement

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

	Notes	2015	2014
CASH FLOW FROM OPERATING ACTIVITIES			
Dividends received		$ 222.370	$ 209.415
Dividends paid	12	(208.571)	(194.062)
Collection from sales of goods and services		1.439	17.090
Payments to suppliers for goods and services		(2.648)	(7.322)
Payments to and on behalf of employees		(5.981)	(17.629)
Income taxes and tax on wealth, paid		3.651	(218)
Other inflows (out-flows) of cash		(5.071)	(3.792)
Net cash flow from operating activities		**$ 5.189**	**$ 3.482**
CASH FLOW FROM INVESTMENT ACTIVITIES			
Out-flows of investments in associates		(4.498)	(2.595)
Interest received		50	77
Other inflows (out-flows) of cash		(4)	18
Net cash used in investment activities		**$ (4.452)**	**$ (2.500)**
CASH FLOW FROM FINANCIAL ACTIVITIES			
Interest paid		(756)	(980)
Net cash flow from (used in) financial activities		**$ (756)**	**$ (980)**
Increase (decrease) of cash and cash equivalents from operating activities		**$ (19)**	**$ 2**
Net foreign exchange differences		15	10
Net increase (decrease) of cash and cash equivalents		**(4)**	**12**
Cash and cash equivalents at the beginning of the period		70	58
Cash and cash equivalents at the end of the period		**$ 66**	**$ 70**

The notes are an integral part of the consolidated financial statements.

Jaime León Montoya Vásquez
General Accountant - Professional Card No. 45056-T
(See attached certification)

Carlos Ignacio Gallego Palacio
President
(See attached certification)

Bibiana Moreno Vásquez
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NOTES

FOR THE **SEPARATE** FINANCIAL STATEMENTS

At December 31st of 2015 and 2014
(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) 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

Grupo Nutresa´s separate financial statements, for the period between January 1st and December 31st of 2015, were prepared in accordance with the International Financial Reporting Standards (hereinafter IFRS), issued by the International Accounting Standards Board, (hereinafter IASB), and interpretations issued by the International Financial Reporting Interpretations Committee (hereinafter IFRIC), and approved in Colombia through Decree 2784 of 2012, Decree 3023 of 2013, Decree 2420 of 2015, their regulations, and other accounting standards, issued by the Financial Superintendence of Colombia.

Grupo Nutresa prepared Separate financial statements until December 31, 2014, applying the accounting principles generally accepted in Colombia; the Separate financial statements, for the period ended December 31, 2015, are financial statements prepared in accordance with accounting norms and financial reporting standards accepted in Colombia, and which, are based on IFRS. See Note 19 - First-time adoption of IFRS, for more details on the impact of First-time adoption of IFRS, of Grupo Nutresa S.A.

The Separate financial statements are prepared in accordance with IAS 27. Grupo Nutresa S.A., as the Parent Company, presents the Separate financial statements available on our website: www.gruponutresa.com

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 policies herewith. The carrying value of recognized assets and liabilities that have been designated as hedged items in fair value hedges, which would otherwise be accounted for at amortized cost, have been 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 financial statements are presented in Colombian Pesos, which is both the functional and presentation currency of Grupo Nutresa S.A. These figures are expressed as millions of Colombian Pesos, except for net earnings per share and the representative market exchange rates, which are expressed as Colombian Pesos, and other currencies [E.g. USD, Euros, Pounds Sterling, among others], which are expressed as monetary units.

2.3 CLASSIFICATION OF ITEMS IN CURRENT AND NON-CURRENT

Grupo Nutresa S.A. 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 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

The accounting policies applied in the preparation of the Separate financial statements, as of December 31, 2015, are consistent, with those used in the preparation of the Annual financial statement, prepared under IFRS, as of December 31, 2014.

The following are the significant accounting policies Grupo Nutresa S. A. applied in the preparation of its financial statements:

3.1 INVESTMENTS IN SUBSIDIARIES

A subsidiary is an entity controlled by one of the companies that make up Grupo Nutresa S.A. 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 financial statements of Grupo Nutresa S.A., 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 S.A. 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 S.A., 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.

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 S.A., the portion that corresponding to Grupo Nutresa of profit and loss obtained from the measurement at fair value at the date of acquisition is incorporated into the financial statements, and gains and losses from transactions between Grupo Nutresa S.A. 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 portion of profit and loss of an associate or joint venture is presented in the statement of comprehensive income, in the results section 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 consolidated comprehensive income. Cash dividends received, from the associate or joint ventures, are recognized by reducing the carrying value of the investment.

Grupo Nutresa S.A. 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 carrying 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 in that 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 converted 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 revenue 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 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 (less) the transaction costs directly attributable, except for those who are subsequently measured at fair value.

At initial recognition, Grupo Nutresa S.A. 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, on specific dates, cash flows that are solely for payments of principal and interest on the outstanding principal value. Notwithstanding the foregoing, Grupo Nutresa S.A. designates a financial asset as irrevocably measured at fair value through profit and loss.

Grupo Nutresa S.A. 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.

(ii) Financial assets measured at fair value

The different financial assets of those measured at amortized cost are subsequently measured at fair value, with changes recognized in profit and loss. However, for investments in equity instruments that are not held for trading purposes, Grupo Nutresa S.A. irrevocably chooses to present gains and losses on the fair value measurement in other comprehensive income. On disposal of investments at fair value, through other comprehensive income, the accumulated value of the gain or loss is transferred directly to retained earnings and are not reclassified to profit and loss, in that period. Cash dividends received from these investments are recognized in the statement of comprehensive income, in the profit and loss of that period.

The fair values of quoted investments are based on the current trading prices.

Financial assets measured at fair value are not tested for impairment.

(iii) Financial Impairment of financial assets at amortized cost

Financial assets measured at amortized cost are evaluated for indicators of impairment at each balance sheet date. Financial assets are impaired when there exists, objective evidence, that, as a result of one or more events occurring after the initial recognition of the financial asset, the estimated future flows of the financial asset, (or group of financial assets) have been affected.

The criteria used to determine if there is objective evidence of impairment losses, includes:

- significant financial difficulty of the issuer or counterparty
- non-payment of principal and interest
- probability that the lender will declare bankruptcy or financial reorganization

The amount of the impairment is the difference between the carrying value of the asset, and the present value of estimated future cash flows, discounted at the original effective rate of the financial asset. The carrying value of the asset is reduced and the amount of the loss and is recognized in profit and losses

(iv) Derecognition

A financial asset or a part of it, is dropped 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 discharged 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, it is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in the respective carrying value is recognized in the statement of comprehensive income in profit and loss.

(v) 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 Company that are not designated as hedging instruments, in effective hedging risks.

Financial obligations obtained by resources, be it from credit institutions or other financial institutions in the country or abroad, are classified as financial liabilities obligations.

(vi) Off-setting financial instruments

Financial assets and financial liabilities are offset so that the net value is reported on the consolidated statement of financial position, 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.

(vii) 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 liabilities. 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 of 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.

Hedges which meet the strict criteria required for hedge accounting are accounted for as follows:

Fair value hedges: The Group uses these hedges to mitigate the risks of exchange rates and interest rates on recognized assets and liabilities. Changes in the fair value of the hedging instruments are recognized in the income statement, as financial expense, and the hedged item is adjusted for the hedged risk and any gain or loss is recognized in the income statement as financial expense.

Cash flow hedges: the effective portion of changes in fair value of the hedging instrument is recognized in other comprehensive income, while any ineffective portion is recognized immediately in profit or loss. When the hedged item results in the recognition of a non-financial asset or liability, the gains and losses previously recognized in other comprehensive income, are included in the cost of the asset or liability. Otherwise, gains or losses recognized in other comprehensive income are transferred to the income statement when the hedged item affects profit or loss.

Net investment hedges: Changes in fair value of the hedging instrument is recognized directly in other comprehensive income, as well as, gains or losses from the translation of a foreign operation, until the sale or disposition of the investment.

3.6 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 Grupo Nutresa S.A., which are used in the operation of the entity.

Fixed assets are measured at cost, net of accumulated depreciation, and accumulated loss impairment, 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 S.A., borrowing costs 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 Company derecognizes the replaced component and recognizes the new component as an asset with a corresponding specific useful life, and depreciates accordingly. Likewise, when a major inspection is performed, its cost is recognized as a replacement of the carrying 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 the fixed assets and depreciated for the shortest period between the useful life of the improvements made or the lease term.

Depreciation starts when the asset is available for use and is calculated on a straight line basis over the estimated asset life as follows:

Buildings	20 a 60 years
Machinery (*)	10 a 40 years
Minor equipment - operating	2 a 10 years
Transport equipment	3 a 10 years
Communication and computer equipment	3 a 10 years
Furniture, fixtures and office equipment	5 a 10 years

Table 1

(*) Some of the machinery related to production is depreciated using *the hours produced method*, according to the most appropriate in which the consumption of the economic benefits of the asset, is reflected.

The residual values, useful lives, and depreciation methods of assets are reviewed and adjusted prospectively at year-end, in cases where it is required.

A component of property, plant and equipment or any substantial part of it initially recognized is derecognized upon sale or when no future economic benefits from its use or its sale. Any gain or loss at the time of terminating the asset (calculated as the difference between the net income from the sale and the carrying value of the asset) is included in the income statement when the asset is written off.

3.7 INVESTMENT PROPERTIES

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 self-constructed investment property is its cost at the date when the construction or development is complete.

Subsequent to initial recognition, investment properties are measured at net cost of accumulated depreciation and loss accumulated impairment loses, if any.

Depreciation is calculated linearly over the asset's useful lives estimated between 20 and 60 years. Residual values and useful life 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 decommissioned.

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, taken into account in subsequent accounting, is the book value at the date of change use.

3.8 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 carried 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 evaluated 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, are 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 treated as changes in accounting estimates. Amortization expenses of intangible assets with finite useful lives are recognized in the statement of comprehensive income. The useful life of intangible assets with a finite life is between 3 and 100 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.

Gains or losses that arise when an intangible asset is written off are measured as the difference between the value obtained in the provision and the carrying value of the asset, and are recognized in the statement of comprehensive income in profit and loss.

Research and development costs

Research costs are expensed as incurred. The expenditures directly related to the development in an individual project are recognized as intangible assets when the Grupo Nutresa S.A. 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, the asset development expenditure is 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 for in profit and loss.

3.9 IMPAIRMENT OF NON-FINANCIAL ASSETS

At each reporting date, Grupo Nutresa assesses if there is any indication that an asset may be impaired in value. Grupo Nutresa estimates the recoverable amount of the asset or cash-generating unit, at the moment that an indication of impairment is detected.

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, 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. An appropriate valuation model is used to determine the fair value minus the cost to sell.

The impairment losses of continuing operations are recognized in the statement of comprehensive income, in the profit and loss section 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.

For assets in general, at each reporting date, an assessment of whether there is any indication that impairment losses previously recognized value no longer exist or have decreased, is performed. If any such indication exists, Grupo Nutresa S.A. 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 carrying value of the asset does not exceed its recoverable amount, nor does it exceed the carrying 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 statement of comprehensive income in profit and loss.

3.10 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 the each company, according to the tax norms of national and territorial governing bodies in each of the countries where Grupo Nutresa S.A. 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 affected 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.

(ii) Deferred

Deferred income tax is recognized using the liability method and is calculated on temporary differences between the carrying value of assets and liabilities in the statement of financial positions 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 affected 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 subsidiaries, 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 subsidiaries, 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.

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 income will be available, in part or in totality, of the deferred tax asset, to be used. Unrecognized deferred tax assets are reassessed at each reporting date and are recognized to the extent that it is probable that future taxable income will be recoverable.

Deferred assets and liabilities 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 tax rates and tax rules that were approved at the date of filing, or whose approval will be nearing completion by that date.

Deferred assets and liabilities tax are offset if there is a legally enforceable right to do so, and are with the same taxation authority.

Deferred tax is recognized in profit and loss, except when relating to items recognized outside profit and loss, in which case will be presented in other comprehensive income or directly in equity.

The assets and current liabilities for income tax also are 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.

b) Income tax for equity CREE

The income tax for equity – CREE, applicable to Colombian Companies, is the assessment for taxpaying legal entities to contribute to the employee benefits, employment, and social investment.

The basis for determining the income tax for equity–CREE, cannot be less than 3% of the net fiscal equity on the last day of the immediately preceding fiscal year.

The income tax for equity-"CREE" applies a fee of 9% under the Law 1739 December 2014.

During the years 2015, 2016, 2017 and 2018, the Law 1739 of December 23, 2014, establishes a surcharge on income tax for equity - CREE, which is at the responsibility of the taxpayer of this tax and is applied to a taxable base in excess of $800 COP, at rates of 5%, 6%, 8%, and 9% per year, respectively.

The tax base of income tax for equity- CREE, is established by subtracting from the gross income likely to increase the fiscal equity, the returns, rebates and discounts, and those thus obtained, will be subtracted from those which correspond to the non-constituted income established in the Tax Code. Net income, thus obtained, total costs and applicable tax deductions, will be subtracted, and may be subtracted from the exempted income exhaustively fixed, according to tax regulations.

c) Tax on wealth

The tax burden of the "wealth tax" originates, for Colombian Companies, from possession of the same to the January 1st of the years 2015, 2016, and 2017, by taxpayers. Therefore, those taxpayers with gross assets minus debts, whose value exceeds $1.000, should determine their tax under the conditions established in the tax regulations.

According to the provisions of Article 6 of Law 1739 of 2014, which adds article 297-2 of the tax statute, the accrual of wealth tax will take place on January 1st of the years 2015, 2016, and 2017, and will be allocated to capital reserves without affecting net income, in accordance with Article 10 of the same law.

3.11 Employee benefits

a) Short-term benefits

They are, (other than termination benefits), benefits expected to be settled wholly, 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, 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 employees 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 the employee start 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) Pension and other post-employment benefits

(i) Defined contribution plans

Contributions to defined contribution plans are recognized as expenses in the statement of comprehensive income in profit and loss, on an accrual basis.

(ii) Defined benefit plans

Defined benefit plans are plans for post-employment benefits in which Grupo Nutresa S.A. has a legal or constructive obligation for 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 current earnings 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 S.A. and the employee, at the time the decision to terminate the employment relationship with the employee, is officially released.

3.12 PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

a) Provisions

Provisions are recognized when, as a result of a past event, Grupo Nutresa S.A. has a present legal or constructive 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 result 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 S.A., are not recognized in the statement of financial position, and are however, disclosed as contingent assets when it is a probable occurrence. When the contingent assets is certain then it is recognized assets and income for that period.

3.13 REVENUE

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the entity and the revenue can be measured reliably.

The specific recognition criteria listed below must also be met for revenue to be recognized:

a) Sale of goods

The revenue from the sale of goods is recognized when the significant risks and rewards of ownership have been substantially transferred to the buyer.

b) Services

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) Interest

For all financial instruments measured at amortized cost, interest income, or expense, is recognized with the effective interest rate method. 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 carrying value of the financial asset or financial liability.

d) Dividend income

This revenue 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.

3.14 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 S.A. 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.

Note 8, financial instruments measured at fair value, provides an analysis of the fair value of the financial instruments, non-financial assets and liabilities, and further details of their measurement.

3.15 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 31, 2015 and 2014, is 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

3.16 RELATIVE IMPORTANCE OR MATERIALITY

Information is material or has relative importance, if it can, individually, or collectively, influence the economic decisions taken by users, based on the financial statements. Materiality depends on the size and nature of error or inaccuracy and prosecuted depending on the particular circumstances in which they are produced. The size or nature of the item, or a combination of both, could be the determining factor.

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 the assets
- Assumptions used in the actuarial calculation of post-employment and long-term obligations to employees
- Assumptions used to calculate the fair value of financial instruments
- Probability of occurrence and the value of the liabilities of uncertain value, or contingent
- Recoverability of deferred tax assets
- Determination of control, significant influence, or joint control over an investment

The judgments and estimates made by the Administration of Grupo Nutresa, in the preparation of the financial statements at December 31, 2015, and do not differ significantly from those made at the close of previous annual period, that is, at December 31, 2014.

NOTE 5.
TRADE AND OTHER RECEIVABLES

	2015	2014	01/01/2014
Accounts receivable, related parties	9.568	11.739	3.850
Dividends receivable (*)	13.539	10.739	9.622
Accounts receivable from employees	96	121	87
Total current	**23.203**	**22.599**	**13.559**
Accounts receivable from employees	331	328	330
Other accounts receivable	45	45	45
Total non-current	**376**	**373**	**375**
Total trade and other receivables	**23.579**	**22.972**	**13.934**

Table 2

(*) Correspond to dividends declared outstanding receivables, from investments in companies not subordinated, at December 31st of 2015 and 2014, maturing between January and March of 2015 and 2016, respectively.

NOTE 6
OTHER ASSETS

Other assets are comprised of the following:

	2015	2014	01/01/2014
Other current assets			
Current taxes (1)	564	4.805	4.204
Prepaid expenses (2)	42	50	60
Advances	-	-	35
Total other current assets	**606**	**4.855**	**4.299**
Other non-current assets			
Prepaid expenses	21	9	18
Total other assets	**627**	**4.864**	**4.317**

Table 3

(1) Current taxes include, mainly, balances in favor, from income taxes $393 (2014 – $4.557).
(2) Prepaid expenses relating mainly to insurance.

NOTE 7.
INVESTMENTS IN SUBSIDIARIES AND ASSOCIATES

7.1 INVESTMENTS IN SUBSIDIARIES

Details of the subsidiaries of Grupo Nutresa S.A. to the date of the period over which is reported, are as follows:

	2015					2014					
	% Participation	Book Value	Dividends received	Share of Income For The Period	Share of Other Comprehensive Income	% Participation	Book Value	Dividends received	Share of Income For The Period	Share of Other Comprehensive Income	Book value Opening balance
Compania de Galletas Noel S.A.S.	100	1.152.392	45.697	110.565	143.728	100	943.796	34.034	131.750	(40.472)	886.551
Compañía Nacional de Chocolates S. A. S.	100	1.001.998	41.540	54.808	113.586	100	875.144	18.385	69.974	32.316	791.239
Tropical Coffee Company S.A.S.	100	15.618	(2.199)	(43)	(25)	100	17.885	-	(1.692)	19	19.558
Industria Colombiana de Café S. A. S.	100	641.655	26.987	52.519	41.052	100	575.071	24.257	96.461	17.713	485.154
Industria de Alimentos Zenú S.A.S. (1)	100	203.983	-	18.163	(1.630)	100	187.450	31.650	7.085	(30.716)	242.731
Litoempaques S. A. S.	100	21.531	-	(65)	(117)	100	21.713	-	621	-	21.093
Meals Mercadeo de Alimentos de Colombia S.A.S.	100	263.345	17.705	14.363	197	100	266.490	20.884	11.587	(85)	275.872
Molino Santa Marta S.A.S.	100	75.175	-	685	(602)	100	75.092	-	1.945	-	73.147
Novaventa S.A.S.	93	86.418	-	18.467	(617)	93	68.568	-	20.843	-	47.724
Pastas Comarrico S.A.S.	100	25.162	-	2.522	(133)	100	22.773	-	653	-	22.120
Productos Alimenticios Doria S.A.S.	100	133.520		12.540	1.050	100	119.930	-	11.064	97	108.769
Alimentos Cárnicos S.A.S.	100	765.695	42.206	72.067	94.233	100	641.601	33.158	169.976	55.112	449.671
Setas Colombianas S.A	94	43.797	1.927	3.220	(257)	94	42.760	4.819	3.201	2	45.245
Compañía Nacional de Chocolates Perú S.A.	100	11	-	1	1	100	9	-	-	1	8
La Recetta Soluciones Gastronómicas Integradas S.A.S.	70	1.182	-	(56)	(5)	70	1.243	-	258	-	984
Alimentos Cárnicos Zona Franca Santa Fe S.A.S.	100	5.502	-	10	(2)	100	5.494	-	225	-	5.269
Gestión Cargo Zona Franca S .A .S.	100	44.360	-	9.770	(367)	100	34.957	-	8.304	-	26.653
Comercial Nutresa S .A. S.	100	25.582	-	1.559	(418)	100	24.441	-	(2.530)	(211)	27.182
Industrias Aliadas S.A.S.	83	69.014	-	9.818	(426)	83	59.622	17	3.671	-	55.968
Opperar Colombia S.A.S. (2)	100	694	-	(10)	-	100	704	-	4	-	-
Fideicomiso Grupo Nutresa	100	265	-	(6)	-	100	272	-	23	-	248
Subtotal		**4.576.899**	**178.261**	**380.897**	**389.248**		**3.985.015**	**167.204**	**533.423**	**33.776**	**3.585.186**
Servicios Nutresa S.A.S. (3)	100	(12.275)	-	(81)	-	100	(12.194)	-	1.571	(2.815)	(10.950)
Total		**4.564.624**	**178.261**	**380.816**	**389.248**		**3.972.821**	**167.204**	**534.994**	**30.961**	**3.574.236**

Table 4

(1) In 2014, Industria de Alimentos Zenú S.A.S. acquired 18.333.447 shares of Setas Colombianas S.A. worth $869.

(2) In 2015, Opperar Colombia S.A.S was established, with 500.000 shares valued at $700.

(3) Corresponds to an investment of negative equity, which is provisioned, and which is presented in the Statement of financial position, under "Other provisions"..

No changes occurred in shareholdings between December 2014 and December 2015. Dividends received in subsidiaries are recognized as a lower value of the investment, as part of the application of *the equity method*.

7.2 INVESTMENT IN ASSOCIATES

The following is a breakdown of the investments over which Grupo Nutresa S.A. has significant influence, and which are classified as associates:

	2015				2014			01/01/2014
	% participation	Book Value	Share of Income for the Period	Share of Other Comprehensive Income	% Participation	Book Value	Share of Income for the Period	Book Value
Associates								
Bimbo de Colombia S.A.	40%	75.505	6.225	1.304	40%	67.976	5.961	62.015
Estrella Andina S.A.S.	30%	6.484	(855)	-	30%	2.841	(1.102)	966
Total		**81.989**	**5.370**	**1.304**		**70.817**	**4.859**	**62.981**

Table 5

Bimbo de Colombia S.A. is a company domiciled in Tenjo, Colombia, dedicated primarily to the manufacturing of baked goods.

Estrella Andina S.A.S. is a simplified joint stock company, engaged in the marketing of ready-made meals in cafeterias.

The movements of investments in associates, for the year ended December 31st of 2015 and 2014, are as follows:

	2015	2014
Opening balance at January 1st	**70.817**	**62.981**
Participation in comprehensive income	6.674	4.859
Investment contributions	4.498	2.977
Balance at December 31st	**81.989**	**70.817**

Table 6

Investment contributions realized in 2015 and 2014, correspond to the acquisition of 278.700 shares in 2014 and 449.794 shares in 2015 from Estrella Andina S.A.S., a company in which Grupo Nutresa S.A. has formalized a partnership with the Starbucks Coffee Company, and with the Mexican Company, Alsea, for installation and operation of Starbucks Coffee Shops in Colombia. Said capitalization in shares represents no change in the percentage of share.

NOTE 8.

OTHER NON-CURRENT FINANCIAL ASSETS

Grupo Nutresa classified portfolio investments that are not held for trading as financial instruments measured at fair value through other comprehensive income.

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 at December 31st of 2015 and 2014, are as follows:

			Book Value		
	Number of Shares Held	Participation as % in Total Ordinary Shares	2015	2014	01/01/2014
Grupo de Inversiones Suramericana S. A.	59.387.803	12,66	2.120.145	2.375.512	2.001.369
Grupo Argos S. A.	79.804.628	12,36	1.292.835	1.635.995	1.551.402
Other companies			2.120	2.120	2.120
Total			**3.415.100**	**4.013.627**	**3.554.891**

Table 7

	2015		2014	
	Dividend Income	**Income/Loss on Fair Value Measurement**	**Dividend Income**	**Income/Loss on Fair Value Measurement**
Grupo de Inversiones Suramericana S. A.	25.062	(255.367)	23.161	374.143
Grupo Argos S. A.	21.388	(343.160)	19.792	84.593
Other companies	460	-	375	-
Total	**46.910**	**(598.527)**	**43.328**	**458.736**

Table 8

Dividend income, recognized in December 2015 and 2014, for portfolio investments, corresponds to the total annual dividend decreed, by the issuers.

The decreed value per share for 2015, by these issuers, is $268 (Colombian pesos) and $422 (Colombian pesos), annually per share, corresponding to Grupo Argos S.A. and Grupo de Inversiones Suramericana S.A., which will be paid quarterly, in the amount of $ 67 (Colombian pesos) and $105,5 (Colombian pesos), respectively. For 2014, the annual value per share is $248 (Colombian pesos) ($62 (Colombian pesos) Quarterly), and $390 (Colombian pesos) ($97,5 (Colombian pesos) Quarterly), respectively.

Fair value measurement of financial instruments

The fair values of shares traded, and which are classified as high trading volume, are determined based on the quoted price of the Stock Exchange of Colombia; this measurement is located within the hierarchy 1, established by IFRS 13, for the measurement of fair value. Investments owned by Grupo Nutresa S.A., in Grupo de Inversiones Suramericana S. A. and Grupo Argos S.A., are recorded under this category. This measurement is done monthly.

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.

Investments in other companies classified under 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.

Liens

At December 31, 2015, 26.000.000 shares of Grupo de Inversiones Grupo de Inversiones Suramericana S.A., were pledged, in favor of financial institutions in Colombia, as collateral for contracted obligations of Grupo Nutresa and its subsidiaries.

NOTE 9.

INCOME TAXES AND PAYABLE TAXES

9.1 APPLICABLE REGULATIONS

Taxable income is taxed at a rate of 25%, paid by taxpayers except for taxpayers under express provision which are handled at special rates and at 10% income from windfall.

A 9% fee is applicable to the income tax for equity "CREE", according to the Law 1739 of December 2014. For the years 2015, 2016, 2017, and 2018, Law 1739 of December 23, 2014 establishes a surcharge on income tax for equity - CREE, which is at the responsibility of the taxpayer at rates of 5%, 6%, 8%, and 9% per year, respectively.

9.2. INCOME TAX AND TAX PAYABLE

The current payable tax balance at December 31st is as follows:

	2015	2014	01/01/2014
Tax for equity - CREE	7	-	739
Tax on wealth	-	-	168
Other taxes	161	1.235	2.009
Total	**168**	**1.235**	**2.916**

Table 9

The Company and its legal advisors apply their professional criterion in determining the provision for income tax and tax for equity CREE. There are many transactions and calculations for which the final tax determination is uncertain during the course of ordinary business. The Company recognizes liabilities for situations observed in preliminary tax audits based on estimates, if any, of additional tax payment. When the final tax outcome of these situations is different from the amounts that were initially recorded, these differences are charged to current income tax and deferred tax assets and liabilities, in the period in which these are determined.

9.3. INCOME TAX EXPENSES

The current income tax expenses are as follows:

	2015	2014
Income tax	404	(1.471)
Taxes for equity - CREE	74	52
CREE surcharges	1	-
Total	**479**	**(1.419)**
Deferred taxes	1.893	3.410
Total tax expenses	**2.372**	**1.991**

Table 10

9.4. DEFERRED INCOME TAX

The following represents deferred asset and liabilities taxes:

	2015	2014	01/01/2014
Deferred tax assets			
Employee benefits	4.195	4.257	3.670
Tax losses	18	17	20
Tax credits	-	-	25
Other assets	53	70	66
Total deferred tax assets	**4.266**	**4.344**	**3.781**
Deferred tax liabilities			
Investments	(5.297)	(3.027)	(1.335)
Total deferred tax liabilities	**(5.297)**	**(3.027)**	**(1.335)**
Deferred tax liabilities, net	**(1.031)**	**1.317**	**2.446**

Table 11

The impact of deferred income tax, on the 2015 results, was an expense of $1.893 million, compared to an expense for the same period in 2014, of $ 3.410 million. The variation is mainly due to the increase in the investments and the decrease in employee benefits.

The deferred tax movements during the period are as follows:

	2015	2014
Initial balance, net	1.317	2.446
Deferred income tax expenses recognized in profit and loss	(1.893)	(3.410)
Income tax relating to components of other comprehensive income	(455)	2.281
Ending balance, net	**(1.031)**	**1.317**

Table 12

9.5. EFFECTIVE TAX RATE

The effective tax rate differs from the theoretical rate, due to the impact produced by applying the tax rules. Within tax regulations, there are benefits such as non-taxable income (e.g. dividends, research incentives, etc.); there are, also, restricted tax deductions, such as in the case of financial transactions tax, a deductible applicable only in Colombia, 50% non-taxable, provisions, costs and expenses from previous years, fines, penalties, etc. In some countries like Colombia and Peru, the possibility of signing a contract with the state legal stability, allows for more tranquility and tax burden surprises are avoided; these contracts allow a greater deduction of expenses for investment in productive fixed assets, investments in science and technology, grants, tax depreciation of goodwill; different methods of depreciation and amortization are applied according to set accounting standards. All these special situations create differences in the effective tax rate, with respect to the theoretical rate, in each country.

Below is reconciliation, of both the applicable tax rate and the effective tax rates:

	2015		2014	
	Value	**%**	**Value**	**%**
ACCOUNTING PROFIT	**429.468**		**591.379**	
Tax expenses at applicable tax rates	**167.493**	**39,00%**	**201.069**	**34,00%**
Un-taxed income	(176.029)	(40,99)%	(217.953)	(36,86)%
Non-deductible expenses	10.656	2,48%	21.118	3,57%
Taxable income	5	0,00%	10	0,00%
Tax deductions	(23)	(0,01)%	(4.149)	(0,70)%
Other tax impact	270	0,06%	1.896	0,32%
Total tax expenses	**2.372**	**0,55%**	**$ 1.991**	**0,34%**

Table 13

The untaxed income relates mainly to the impact of dividend income from investment portfolios and *the equity method*; non-deductible accounting expenses are composed, in large part, of tax expenses, provisions, recognition of employee benefits, depreciation, among others; the tax deductions correspond mainly to fiscal amortization and depreciation, and deduction in productive fixed assets.

9.6 EXCESS PRESUMPTIVE INCOME TAX AND TAX LOSSES

At 31 December 2015, the tax losses of the company amounted to $71 (2014 - $ 68). According to current tax norms, tax losses arising from the fiscal year 2007, are compensatable, adjusted for tax, without percentage limit, at any time, with ordinary net income, notwithstanding the presumptive income for the year. The companies' losses shall not be transferable to shareholders. Tax losses, originated in income, not constituted from taxes or windfall profit, and in cost and deductions, that have no causal link with generation of taxable income, in no case, will be able to be off-set, by the taxpayer's net income.

The Company has no excess presumptive income, over ordinary income, outstanding.

9.7. TAX ON WEALTH

According to Article 6 of Law 1739 of 2014, which adds Article 297-2 of the tax statute, the accrual of tax on wealth will take place on January 1st of the years 2015, 2016, and 2017, and will be charged to capital reserves without affecting net income, in accordance with Article 10 of the same law. For 2015, $130 is recognized as charges to the reserves at the disposal of the highest corporate body. For 2016, $106 will be recognized.

NOTE 10.

TRADE AND ACCOUNTS PAYABLE

Trade and accounts payable at December 31st are listed below:

	2015	2014	01/01/2014
Dividends payable	59.168	55.162	50.451
Cost and expenses payable	1.058	332	354
Payroll deductions and contributions	264	57	53
Loans and accounts payable to related parties	-	13.169	19.069
Total Current	**60.490**	**68.720**	**69.927**
Total Non-current	**158**	**158**	**158**
Total trade and accounts payable	**60.648**	**68.878**	**70.085**

Table 14

NOTE 11.

EMPLOYEE BENEFITS LIABILITIES

The balance of liabilities due to employee benefits at December 31st of 2015 and 2014 is as follows:

	2015	2014	01/01/2014
Short-term benefits	1.811	1.699	932
Post-Employment benefits (11.1)			
Defined benefits plans	9.937	10.152	11.042
Other long-term benefits (11.2)	2.402	1.832	1.071
Total liabilities for employee benefits	**14.150**	**13.683**	**13.045**
Current	1.811	1.699	932
Non-current	12.339	11.984	12.113

Table 15

11.1 POST-EMPLOYMENT BENEFITS

11.1.1 RECONCILIATION OF MOVEMENT

A reconciliation of the movements of the defined benefit plans is as follows:

Actuarial gains and losses are recognized in the income statement under other comprehensive income

	2015	2014
Value of current obligation at January 1st	**10.152**	**11.042**
(+) Cost of service	482	465
(+) Interest expenses	640	181
(+/-) Actuarial gains or losses	(1.337)	6.718
(-) Payments	-	(10.609)
(+) Cost of previous services	-	2.355
Current value of obligations at December 31st	**9.937**	**10.152**

Table 16

The following are the estimated post-employment payments expected:

Year of Expiration	Undiscounted Value
2018	_
2019	_
2021, and subsequent years	48.612
Total	**48.612**

Table 17

11.2 OTHER LONG-TERM BENEFITS

The following is the reconciliation of movements of other long-term employee benefits:
Long-term benefits include primarily Seniority Premiums and variable long-terms compensation bonuses

	2015	2014
Present value of obligations at January 1st	**1.832**	**1.071**
(+) Cost of service	853	904
(+/-) Interest income or (expense)	116	799
(+/-) Actuarial gains (losses)	(30)	415
(-) Payments	(369)	(1.357)
Present value of obligation at December 31st	**2.402**	**1.832**

Table 18

11.3 ACTUARIAL ASSUMPTIONS

The main actuarial assumptions used in the actuarial measurement of the defined and long-term plans are:

	2015	2014
Discount rates	7,69%	6,31%
Salary increase rates	6,00%	4,38%
Employee turn-over rates	2,54%	2,54%

Table 19

A quantitative analysis of sensitivity to a change in the significant key assumptions, as of December 31, 2015, would generate the following impact on the defined benefit obligation, as well as, long-term benefits:
Resolution 1555 of 2010 presents the following mortality rates, for men and women:

	Seniority Premium
Discount rate +0,5%	902
Discount rate –0,5%	948
Rate of salary increases +0,5%	945
Rate of salary increases -0,5%	906

Table 20

11.4 EXPENSES FOR EMPLOYEE BENEFITS

	2015	2014
Short-term benefits	6.472	6.328
Post-employment benefits	482	465
Other long-term employee benefits	853	904
Sub Total	**7.807**	**7.697**
Reimbursement for contracts of mandate	(6.606)	(6.500)
Total	**1.201**	**1.197**

Table 21

NOTE 12.
EQUITY

12.1 SUBSCRIBED AND PAID SHARES

As of December 31st of 2015 and 2014, the balance of capital of the Parent Company was $2.301, representing a total of 460.123.458 fully paid and subscribed shares. 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.

12.2 RESERVES

Of the accounts that make up the equity, reserves at December 31st of 2015 and 2014 are as follows:

	2015	2014	01/01/2014
Legal reserves	2.711	2.711	2.711
Other reserves	1.833.514	1.668.767	1.487.644
Total Reserves	**1.836.225**	**1.671.478**	**1.490.355**

Table 22

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.

Other reserves: : includes the value caused by tax on wealth, payment of dividends, and other reserves substantially unrestricted by Shareholders.

12.3 DISTRIBUTION OF DIVIDENDS

The ordinary Shareholders at the meeting, held on March 27, 2015, decreed ordinary share dividends of $38,5, per-share and per-month ($462 annually per share) over 460.123.458 outstanding shares, during the months between April 2015 and March 2016, inclusive, for a total of $212.577 (2014 - $198.773).

During 2015, dividends were paid in the amount of $208.571 (2014 - $194.062).

As of December 31, 2015, there are accounts payables, due to dividends, in the amount of $59.168.

NOTE 13.
OTHER COMPREHENSIVE INCOME, ACCUMULATED

Below is a breakdown of each of the components of accumulated other comprehensive results, in the separate financial statements:

	2015	2014	01/01/2014
Actuarial gains/losses (13.1)	(3.555)	(4.437)	-
Valuation of financial instruments (13.2)	3.238.493	3.837.020	3.378.284
Equity method in associates (13.3)	550	(754)	(754)
Equity method in subsidiaries (13.4)	403.449	14.201	(16.760)
Total other comprehensive income, accumulated	**3.638.937**	**3.846.030**	**3.360.770**

Table 23

During the period, no reclassification of gains/losses previously recognized in other comprehensive income to profit and loss, was realized.

The following is a breakdown of each component of comprehensive income reconciliation, of the opening and closing balances at December 31st of 2015 and 2014:

13.1 GAINS (LOSSES) 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 are transferred to retained earnings and not reclassified to the income statement:

	2015	2014
Book value at January 1st	**(4.437)**	**-**
Gains (losses) from re-measurement	1.337	(6.718)
Income tax	(455)	2.281
Book value at December 31st	**(3.555)**	**(4.437)**

Table 24

13.2 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.

	2015	2014
Book value at January 1st	**3.837.020**	**3.378.284**
Profit (loss) measurements for the period	(598.527)	458.736
Book value at December 31st	**3.238.493**	**3.837.020**

Table 25

See Note No. 8 for detailed information on these investments.

13.3 ASSOCIATES - INTEREST IN OTHER COMPREHENSIVE INCOME, ACCUMULATED

The component of other comprehensive income of investments in associates and joint ventures 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.

	2015	2014
Book value to January 1st	**(754)**	**(754)**
Gains (losses) for the period	1.304	-
Book value to December 31st	**550**	**(754)**

Table 26

13.4 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.

	2015	2014
Book value to January 1st	**14.201**	**(16.760)**
Gains (losses) for the period	389.248	30.961
Book value to December 31st	**403.449**	**14.201**

Table 27

NOTE 14.
EXPENDITURE BY NATURE

Below is a detailed breakdown of expenditures by nature, for the period:

	2015	2014
Employee benefits	1.201	1.197
Taxes other than income tax	1.136	1.221
Fees	990	1.851
Other services	492	584
Travel expenses	62	1.427
Leases	37	87
Insurance	44	45
Contributions and memberships	-	1.017
Other expenses	428	770
	4.390	**8.199**

Table 28

Grupo Nutresa S.A., as of November 2014, began operating under a range of commercial services of "mandated without representation", offering shared services to the companies of the Group, for the management of comprehensive executive services. The above will generate certain lower expenses and operating income, in 2015.

NOTE 15.
OTHER OPERATING INCOME

Other operating income, in 2014, include primarily, consulting services, in the amount of $17.090. plus income from the sale of shares, in the amount of $1.082. In 2015, income corresponds to commission of mandated operations.

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:

	2015	2014
Net income attributable to holders of ordinary equity of the Parent	427.096	589.388
Outstanding shares	460.123.458	460.123.458
Earnings per share attributable to controlling interest	**928,22**	**1.280.93**

Table 29

There are no equity instruments with potential dilutive impact on earnings per share.

NOTE 17.
DISCLOSURE OF RELATED PARTIES

The following table represents the values of transactions between related parties at year-end:

	2015

Company	Purchases of Goods and Services	Sales of Goods and Services	Receivables Balance	Payables Balance	Dividend Income	Dividends Paid	Interest Income
Subsidiaries							
Alimentos Cárnicos S.A.S.	-	3.631	1 .483	-	42.206	-	-
Compañía de Galletas Noel S.A.S.	-	2.826	1.994	-	45.696	-	-
Compañía Nacional de Chocolates S.A.S.	-	1.976	3.213	4	41.540	-	-
Industria Colombiana de Café S.A.S.	-	1.815	263	-	26.987	-	-
Litoempaques S.A.S.	3	-	-	-	-	-	-
Meals Mercadeo de Alimentos de Colombia S.A.S.	-	1 .240	199	-	17.706	-	-
Productos Alimenticios Doria S.A.S.	-	528	76	-	-	-	-
Servicios Nutresa S.A.S.	13	-	2 .339	55	-	-	-
Setas Colombianas S.A.	-	-	1.927	-	1.927	-	-
Tropical Coffe Company S.A.S.		-	-	-	2.200	-	-
Associates	-			-	-	-	-
Bimbo de Colombia S.A.	-	-	-	-	-	-	-
Estrella Andina S.A.S	-	-	-	-	-	-	-
Entities with significant influence over the entity							
Grupo de Inversiones Suramericana S. A.	60	-	6.265	52	25.062	73.750	-
Other related parties							
Grupo Bancolombia S.A.	56	-	-	16	-	-	-
Grupo Argos S.A.	-	-	5.347	-	21.388	17.383	-
Members, Board of Directors	459	-	-	103	-	-	-

Table 30

2014

Company	Purchases of Goods and Services	Sales of Goods and Services	Receivables Balance	Payables Balance	Dividend Income	Dividends Paid	Interest Income
Subsidiaries							
Alimentos Cárnicos S.A.S.	-	7.599	3 .238	-	33.158	-	-
Compañía de Galletas Noel S.A.S.	-	4.448	1 .708	-	34.034	-	-
Compañía Nacional de Chocolates S.A.S.	-	4.413	4.965	5	18.385	-	-
Industria Colombiana de Café S.A.S.	-	3.734	1.434	-	24.257	-	-
Industria de Alimentos Zenú S.A.S.	-	1.082	-	-	31.650	-	-
Industrias Aliadas S.A.S.	-	-	-	-	17	-	-
Litoempaques S.A.S.	2	-	-	-	-	-	-
Meals Mercadeo de Alimentos de Colombia S.A.S.	-	2.424	288	-	20.884	-	-
Productos Alimenticios Doria S.A.S.	-	971	107	-	-	-	-
Servicios Nutresa S.A.S.	12	-	-	13.187	-	-	-
Setas Colombianas S.A.	-	-	-	-	4.819	-	-
Associates							-
Bimbo de Colombia S.A.	-	-	-	-	-	-	-
Estrella Andina S.A.S	-	-	-	-	-	-	-
Entities with significant influence over the entity							
Grupo de Inversiones Suramericana S.A.	29	-	5.790	27	23.161	68.444	-
Other related parties					-		
Grupo Bancolombia S.A.	34	-	-	31	-	-	1
Grupo Argos S.A.		-	4.948	-	19.792	16.178	-
Member board of director	418	-	-	10	-	-	-

Table 31

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 $6.729 (2014 – $6.487) for 3 key personnel (2014 – 3 employees) were made.

NOTE 18.
EVENTS AFTER THE REPORTING PERIOD

These Separate financial statements were prepared for purposes of supervision and were authorized for issue, by the Board of Grupo Nutresa, on January 26, 2016. No significant events, after the close of the financial statements and until the date of approval, that may significantly affect the financial position of Grupo Nutresa reflected in the financial statements ended December 31, 2015

NOTE 19.
FIRST-TIME ADOPTION OF INTERNATIONAL FINANCIAL REPORTING STANDARDS - IFRS

The Separated financial statements for period as of December 31, 2015, are the first financial statements, prepared in accordance with norms under the International Financial Reporting Standards (IFRS), approved in Colombia through Decree 2784 of 2012, Decree 3023 of 2013, their regulations, and all other accounting standards mandated by the Financial Superintendence of Colombia, as described in the accounting policies section. Grupo Nutresa applied IFRS 1 to recognize the transition of its financial statements under the local norms to IFRS, preparing its opening balance sheet as of January 1, 2014.

19.1 TRANSITION POLICIES AND PROCEDURES

19.1.1 OPTIONAL EXCEPTIONS TO THE RETROSPECTIVE APPLICATION OF IFRS:

Herewith, are the main limited exemptions contained within IFRS 1, for the process of transition:

- ***Designation of previously recognized financial instruments***: equity instruments were classified as "measured at fair value", with changes in equity, based on existing circumstances at the date of transition to IFRSs.

- ***Other exceptions:*** the measurement of financial instruments at fair value, upon initial recognition, is applied prospectively; the same as the derecognition of financial assets and liabilities.

19.1.2 USE OF ESTIMATES

Accounting estimates made by Grupo Nutresa as of January 1, 2013 and December 31, 2014, reflect the existing conditions at the transition date and comparative period, and are consistent with estimates realized for the same date, according to the principles generally accepted (PCGA), in Colombia, (also expressed as COLGAAP), after which the necessary adjustments are made to reflect any differences in accounting policies. Items that significantly differ are:

- Pensions and other term long-term benefits, and for termination of contracts
- Fair value of property, plant and equipment, and investment properties
- Fair value of financial instruments

19.2 RECONCILIATION

The following reconciliation provides a quantification of the impact of the transition to IFRS at January 1, 2014 (opening balance), December 31, 2014 (comparative annual period).

19.2.1 RECONCILIATION OF GRUPO NUTRESA'S EQUITY AT JANUARY 1, 2014 AND DECEMBER 31, 2014

	January 1st	December 31st	Notes
COLGAAP equity value	7.423.544	8.213.895	
IFRS equity value	**7.126.817**	**8.002.692**	
Variation	(296.727)	(211.203)	
Principal impact			
Deferred taxes	2.446	1.316	(a)
Employee benefits	(12.113)	(9.615)	(b)
Dividend income from portfolio	9.622	-	(c)
Application of *the equity method* under IFRS in subsidiaries	(16.761)	225.309	(d)
Application of *the equity method* under IFRS in associates	(754)	4.105	(d)
Reversal of valuation under COLGAAP and fair value of investments	(279.050)	(431.985)	(d)
Other adjustments	(117)	(333)	
Total impact	**(296.727)**	**(211.203)**	

Table 32

19.2.2 RECONCILIATION OF GRUPO NUTRESA'S NET INCOME FOR THE PERIOD BETWEEN JANUARY 1ST AND DECEMBER 31ST OF 2014

		Notes
COLGAAP, net profit	**377.453**	
Principal impact:		
Dividend portfolio	(9.622)	(c)
Measurement of deferred tax	(3.410)	(a)
Employee benefits	9.216	(b)
Application of *the equity method* in associates	4.859	(d)
Reversal of COLGAAP equity method of subsidiary	211.109	(d)
Others	(217)	
Total impact	**211.935**	
IFRS net profit at December 31, 2014	**589.388**	

Table 33

19.2.3 EXPLANATORY NOTES

(a) Deferred taxes

In accordance with COLGAAP, recognition of deferred taxes is realized by considering only those temporary differences that arise between the accounting results and fiscal results. Under IFRS, the method used is the called "*the liability method*", that considers all temporary differences between the accounting and tax bases of assets and liabilities. The net impact on Grupo Nutresa's opening balance is $2.446, which corresponds mainly to the impact on deferred tax adjustments, realized under IFRS for the valuation of employee benefit liabilities

During the transition year, there was an increased expenditure generated in the amount of $3.410 and impact to equity of $ 2.281

(b) Employee benefits

Using the methodology of actuarial calculation of a projected unit credit, as established in IAS 19, recognition and measurement of long-term employee benefits are realized; which, in the opening statement of financial position, generate a decrease in Grupo Nutresa's equity in the amount of $12.113.

During the transition period, a decrease in expenditure, due to employee benefits, was generated in the amount of $9.216, for the causation under COLGAAP, expenses, which under IFRS had already been recognized in the opening statement of financial position, impacted equity, in the amount of $6.718.

At the end of the transition period, the measurement of employee benefits has an accumulated impact on Grupo Nutresa's equity, in the amount of $(9.615).

(c) Portfolio dividends

Outstanding receivable dividends of the investment portfolio, in the amount of CO $9.622, are recognized as receivables in the opening statement of financial position.

In addition, in the accumulated, as of December 31, 2014, under IFRS, income and accounts receivable in the total of the declared dividends receivable from portfolio investments are recognized, which under COLGAAP are recognized according to the payment periods determined by the issuer.

(d) Investments

During the transition period, *the equity method* for participation in investments was recalculated at $229.414; valuations, recorded directly in COLGAAP equity, were reversed by applying *the equity method*, as well as, by measuring the intrinsic value of the investments at $(4.269.134), and the fair value of investments is recorded in the amount of $3.837.149.

19.3 ACCUMULATED RESULTS IN THE PROCESS OF FIRST-TIME ADOPTION - IFRS

The process of First-time adoption of IFRS generated accumulated earnings of $1.346.663, in the opening balance, corresponding to the following: a decrease due to equity impact from the First-time adoption in the amount of $296.727. as well as, a net increase due to reclassification of other equity items in the amount of $1.643.390, (capital surplus of $992.917, corresponding to *the equity method* and increased due to the cancelation of the revaluation of equity, in the amount of $650.473).

In addition, during the transition period, earnings of $211.935 were accumulated, corresponding to the difference between the net income attributable to controlling interest for the annual period of 2014, under IFRS, in the amount of $589.388, and the values appropriated by the Shareholders on earnings under COLGAAP, of the same period, in the amount of $377.453.

These accumulated earnings, in the amount of $1.542.303 are not subject to dividend distribution and will be carried to "Other reserves", once the Shareholders of Grupo Nutresa approve the transfer.

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A FUTURE
TOGETHER

In Nutresa, we believe that we can **create the future** we want for **ourselves and for the future generations,** and we must **take action** to start doing it.

A FUTURE
TOGETHER

It was born of the conviction to *for the three dimensions of sustainable development: economic, social and environmental,* adding the **human** being as a fundamental part.

We seek to impact different communities guided by the principles of human rights, diversity and inclusion to increase the quality of personal and collective life, and seek a *better future for the coming generations.*

We work together and we are convinced that for every *positive change* that sow in a person, a family or a community we influence the wider environment and form an increasingly long and hard to break chain.

Only when we understand that *the power to create change has each of us make it happen*
A future together.

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A FUTURE
TOGETHER

Reserva El Centello
Municipio de Jardín,
Colombia.

Grupo
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