

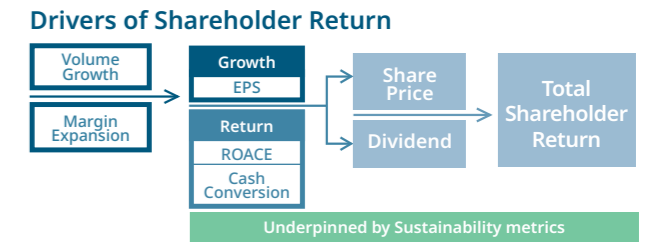
Key Performance Indicators

The metrics outlined below are the important measurement indicators of Group performance in meeting our objectives. The Group's financial objective is to maximise shareholder return by delivering on our targets which are a combination of growth and return metrics.

The Group also has a range of non-financial metrics that are used to measure performance with customers, suppliers, community, environmental targets and employee engagement. The non-financial metrics shown below are further complemented in the Sustainability section.

Business strategy is set by the Board of Directors and all Kerry employees work towards achieving these goals.

Performance evaluation takes account of all key performance indicators. Remuneration is directly linked with performance versus targets.



FINANCIAL PERFORMANCE INDICATORS

Metric	GROWTH			RETURN		
	Volume Growth (2.9%)	Trading Margin Expansion (100bps)	Constant Currency Adjusted EPS Growth (9.4%)	Return on Average Capital Employed (ROACE) 9.8%	Cash Conversion 67%	Total Shareholder Return (TSR) 7.4%
Performance	2020 (2.9%) 2019 2.8% 2018 3.5%	2020 11.5% (100bps) 2019 12.5% +30bps 2018 12.2% 0bps	2020 345.4 (9.4%) 2019 8.3% 2018 8.6%	2020 9.8% 2019 11.8% 2018 12.0%	2020 412 67% 2019 515 74% 2018 447 72%	2020 29% 7% 2019 20% 29% 2018 (7%) (7%)
Commentary	Group volumes decreased by 2.9% overall in the year, due to the significant impact of COVID-19 on the foodservice channel.	Group trading margins decreased by 100bps in the year, primarily due to significant operating deleverage and costs associated with COVID-19.	Constant currency adjusted EPS decreased by 9.4% in the year.	ROACE for the year was 9.8%, which reflected the significant impact from COVID-19 on business performance.	Cash Conversion for the year was 67%, which reflected a working capital investment with additional inventory to ensure continuity of supply through COVID-19 and to support the rollout of KerryConnect in North America.	TSR for the year was 7.4%, as markets and share prices were impacted as COVID-19 spread globally and impacted all businesses, but recovered through the year as performances improved. Compound TSR over the past three years amounted to 29.1%.
Strategic Importance/ Link To Remuneration	Volume growth is an important metric as it is seen as the key driver of organic top-line business improvement. It is a metric in the short term incentive plan and is a key driver of adjusted EPS growth, which is a metric for the long-term incentive plan.	Trading margin expansion is a key measure of profitability. It is a metric in the short term incentive plan and is a key driver of adjusted EPS growth, which is a metric for the long-term incentive plan.	Constant currency EPS growth is a key performance metric as it encompasses the components of growth that are important to the Group's stakeholders. It is a performance metric for the long-term incentive plan.	ROACE is a key measure of the return the Group achieves on its investment in capital expenditure projects, acquisitions and other strategic investments. It is a performance metric for the long-term incentive plan.	Cash conversion is an important metric as it measures how much of the Group's adjusted earnings is converted into cash. It is a performance metric for the short term incentive plan.	TSR is an important indicator of how successful the Group has been in terms of shareholder value creation. Relative TSR is a performance metric for the long-term incentive plan.

These are non-IFRS measures or Alternative Performance Measures. Definitions, calculations and reconciliations for these are set out above and within the Supplementary Information section - Financial Definitions on pages 231-234.

NON-FINANCIAL PERFORMANCE INDICATORS

Metric	Consumers Reached (1.0 Billion Consumers)	Annual Carbon Reduction (17%)	Reduction in Food Waste (10%)
Performance		2050 Target of 33% reduction in Scope 1 & 2 carbon emissions by 2030 2020 17%	2050 Target of achieving 50% reduction in food waste by 2030 2020 10%
Commentary	Understanding that nutrition plays a critical part in the broader sustainable development agenda, Kerry has an ambitious target of reaching two billion people with sustainable nutrition solutions by 2030. This target encompasses both financial and non-financial metrics, as key to increasing Kerry's reach will be achieving business growth objectives, while creating a positive impact through the achievement of our sustainability commitments. Kerry will deliver on this target by further enhancing and expanding our solutions portfolio across the nutrition spectrum, as we respond to evolving market demands.	The Group has set a Science Based Target for carbon reduction that reflects global efforts to limit warming to well below 2 degrees Celsius. In 2020, we achieved a 17% reduction in absolute Scope 1 & 2 emissions versus our base year, driven primarily by an ongoing focus on carbon efficiency and increasing the share of electricity we procure from renewable sources.	In line with target 12.3 of the UN Sustainable Development Goals, we aim to halve food waste across our operations by 2030. In 2020, we made strong progress towards this goal achieving a 10% reduction across our sites versus our base year. Our approach focuses on a number of different interventions at site level including the recovery and redistribution of products through charitable partners, further optimising our production processes and a programme of employee engagement and training.
Strategic Importance/ Link To Remuneration	As the leader in Taste and Nutrition, we can play a pivotal role in supporting the transition to healthier more sustainable diets. As awareness continues to grow of the link between diet and health, consumers are increasingly looking for products that are good for them and the world around them. As customers seek to respond, Kerry is ideally placed to support them in the development of products that deliver more sustainable nutrition. The achievement of this target is fully integrated with our broader strategic objectives and central to our Vision to be our customers' most valued partner, creating a world of sustainable nutrition. It is one of the performance metrics that measures the Group's performance compared to its 2030 sustainability strategy targets. This will be incorporated in the sustainability metric in the 2021 long-term incentive plan.	The impact of climate change is increasingly clear with growing awareness of the implications for people, the environment and the economy. At Kerry, we understand the need to act now in support of a global shift towards decarbonisation, helping to mitigate the worst effects of climate change and building resilience across our value chain. We are committed to addressing our carbon footprint and achieving net zero emissions before 2050. It is one of the performance metrics that measures the Group's performance compared to its 2030 sustainability strategy targets. This will be incorporated in the sustainability metric in the 2021 long-term incentive plan.	A crucial intervention for sustainable food production is reducing the current level of food waste, estimated to be up to a third of all calories produced. This significant environmental, social and economic impact provides an opportunity for organisations to capture additional value while acting to reduce environmental impacts. At Kerry, we are committed to halving food waste across our operations and supporting our customers in reducing their food waste through the use of sustainable solutions, particularly our preservation technologies. It is one of the performance metrics that measures the Group's performance compared to its 2030 sustainability strategy targets. This will be incorporated in the sustainability metric in the 2021 long-term incentive plan.

Further definitions, calculations and detail for these are set out above and within the Sustainability section on pages 46-70.