GOVERNANCE REPORT

Remuneration Committee Report

Tom Moran
Chairperson of the Remuneration Committee

Section A: Chairperson's Annual Statement

Dear Shareholder,

On behalf of the Remuneration Committee, I am pleased to present the Directors' Remuneration Report for the year ended 31 December 2021. This is my first Remuneration Committee Report having been appointed chairperson of the Committee following Joan Garahy's retirement on 29 April 2021. I would like to acknowledge and thank Joan for her valued leadership of the Committee over the last nine years.

Introduction

2021 was an important year for Kerry Group. In parallel to delivering strong growth and a good financial performance against a challenging COVID-19 backdrop, we have taken significant strategic steps to further solidify our position as the world's leading Taste & Nutrition company:

- a comprehensive strategy refresh, with ambitious mid-term growth, return and enhanced sustainability targets communicated at our Capital Markets Day in October; and
- divestment of non-core consumer foods assets, coupled with strategic acquisitions in food waste reduction and health & bio-pharma.

We could not have achieved all of this without the continued and consistent excellent leadership of our Executive Directors into and throughout 2021, the drive and agility of our leadership teams and the tremendous commitment of our people across the world.

Our 2020 Directors' Remuneration Report outlined the comprehensive coordinated global response taken by Kerry in response to the pandemic, and these efforts continued and were further strengthened during 2021, ensuring a positive experience for our broader stakeholders, including employees, shareholders and the communities in which we operate.

From the outset of the pandemic, we have consistently put the safety and wellbeing of our people at the core of our coordinated global response, ensuring we could safely fulfil our critical role in the global food supply chain and enabling all 152 manufacturing and R&D facilities to continue to operate to meet our customers' and consumers' needs.

In recognition of the achievements of our employees, and in order to minimise the economic impact of COVID-19 on our people, we retained pay levels for all employees, apart from the Executive Directors, throughout 2020 and awarded annual merit increases across all geographies in both 2021 and 2022. Kerry did not benefit from COVID-19 related government support in any of our key geographies.

From a shareholder perspective, in 2021 the Group has delivered strong growth, a resilient share price and sustained dividend payments. Shareholder prospects for improved long-term returns have been further enhanced through the strategic actions of our Executive Directors and their teams over the past 12 months as detailed throughout this year's Annual Report.

Remuneration Policy

The Group's Remuneration Policy is outlined in Section C on pages 128-133. This policy was approved by shareholders in 2021 and provides the framework for remuneration decisions made by the Committee until the next policy review.

The Committee is confident that the Group's Remuneration Policy is aligned with shareholder interests, promotes long term sustainable success and is in line with applicable best market practice. Furthermore, it ensures that Executive Director remuneration is aligned to the Group's purpose and values and can be clearly linked to the successful delivery of the Group's strategy and mid-term financial targets.

The Committee is satisfied that the policy has operated as intended and that no changes are required to the operation of the policy for 2022.

Kerry Group Annual Report 2021

Kerry's Remuneration Principles

Delivery of Group Purpose, Values and Strategy
The Group's Executive Director short and long-term remuneration philosophy is to ensure that executive remuneration is aligned to the Group's purpose and values, supports strategy and promotes the long-term success of the Company.

Creating Sustainable, Long-Term Performance
Remuneration includes performance related elements designed to align Directors' interests with those of shareholders and to promote long-term sustainable growth and performance at the highest levels in line with the Group's strategy.

Attract, Motivate and Retain Talent
Market-competitive total remuneration is structured to attract, motivate and retain individuals of the highest quality on an international basis.

Stakeholder Interests
By incorporating a high proportion of Executive Directors' potential remuneration to short-term and long-term performance metrics with robust share ownership requirements, the Remuneration Committee believes that the interest and risk appetite of the Executive Directors is properly aligned with the interests of the shareholders and other stakeholders.

Pay For Performance
The Committee ensures alignment with shareholders' long-term interests by aligning remuneration metrics with the Group's business model and strategic objectives.

Remuneration Policy Implementation 2022

Basic Salary

For 2022, no substantive increases are proposed, and the basic salaries of the Executive Directors will be increased as normal in line with increases available to the general workforce (i.e. a range of 2.5%-3.3%) in Ireland and the US respectively.

Pension Alignment

As detailed on page 129 Executive Directors' pension contribution rates will be aligned to those of Kerry's general workforce in Ireland with effect from 1 January 2023. Existing arrangements will apply for 2022.

Incentive Plans

A detailed review of our short and long-term incentive plans was completed during 2020 following which a number of changes were made to the metrics and weightings in both plans and incorporated into the Remuneration Policy approved by shareholders at the 2021 AGM.

We have consistently ensured that there is very strong alignment between our short term and long term incentive metrics and the Group's business strategy and financial targets. During 2021 the Remuneration Committee reviewed the incentive plan metrics again to ensure full alignment with the Group's refreshed strategy and updated mid-term targets as outlined during the Capital Markets Day held in October 2021.

2022 Short-Term Incentive Plan

Following the review outlined above, the Committee concluded that the only change required for 2022 was to amend the Margin Expansion Metric from EBITA to EBITDA. This change is reflective of the updated mid-term targets and ensures better alignment with internal performance measurement and with the metric more commonly used by our industry peers. Annual bonus maximum opportunity and metric weightings will remain unchanged for 2022.

2022 Long-Term Incentive Plan

The LTIP performance metrics, weightings and target calibrations were also reviewed in 2021. The Committee concluded that the current metrics and weightings continue to be appropriate and will therefore remain unchanged for 2022.

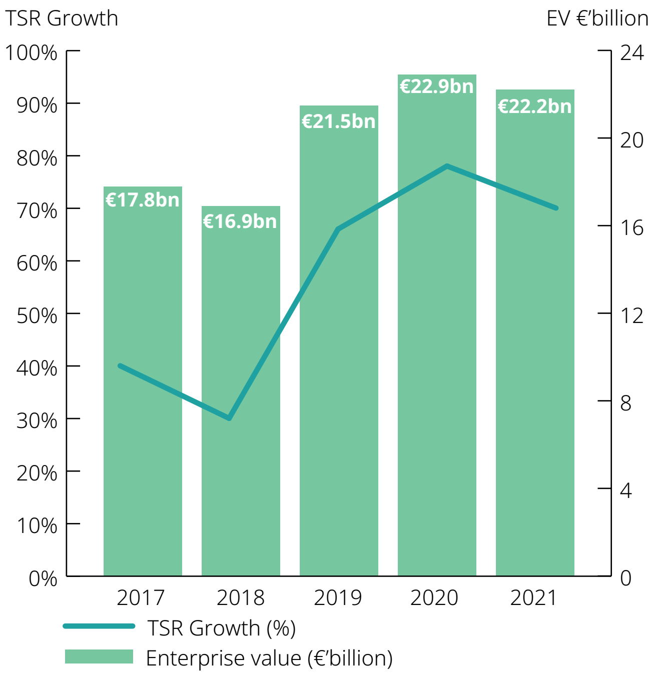
The Remuneration Policy approved and implemented in 2021, included an increase in the maximum LTIP opportunity, to be implemented on a phased basis over two years. The second phase of the increase will be implemented in 2022 and in line with this, each Executive Director will be awarded their maximum LTIP opportunity in 2022 as follows; CEO 300% of basic salary (from 250%), CFO and CEO Taste & Nutrition 250% of basic salary (from 225%).

Pay for Performance

Kerry has a strong track record of demonstrating appropriate rigour and discipline when setting stretching targets as illustrated by the following chart.

Year	STIP % of Max Achieved	LTIP % of Max Achieved
2017	75%	62%
2018	59%	64%
2019	73%	63%
2020	0%	33%
2021	72%	22%
Average	**56%**	**50%**

The Committee is satisfied that the targets set for the 2022 STIP and LTIP awards are appropriately stretching given the current inflationary environment, the ongoing impact of COVID-19, overall market growth rates and the level of capital expenditure required to support future growth ambitions.



In 2021, the Group delivered strong growth and good financial performance with constant currency adjusted earnings per share growth of 12.1% driven by strong volume growth of 8.0%, and a 40 bps expansion in trading margin.

As can be seen in the Total Shareholder Return graph - below Kerry has generated a 173% return for shareholders (including reinvestment of dividends) over the last 5 years.

Shareholder Consultation

On behalf of the Remuneration Committee, I had the opportunity recently to consult with a number of our major shareholders, along with the key proxy advisors, regarding specific aspects of Kerry's Executive Director Remuneration in 2021.

Our shareholders recognised the strong leadership shown by our Executive Directors in 2021; and many specifically acknowledged the seamless and simultaneous execution of significant strategic divestments and acquisitions, coupled with the completion of our comprehensive strategy refresh and communication of our updated mid-term targets.

Thank you for your valuable perspectives and feedback, they have been very helpful in informing the final decisions made by the Committee.

2021 Short Term Incentive Plan Outturn

For 2021, STIP payouts to Executive Directors were on average 72% of the maximum available opportunity. The Committee exercised independent judgement when awarding this outcome and considers it to be reflective of the Group's and the individual Executive Directors' strong performance during the year, the broader stakeholder experience, as well as the challenging and stretching nature of the targets set.

In line with the Directors' Remuneration Policy, one-third of the STIP payout will be deferred into shares/options to be held for two years.

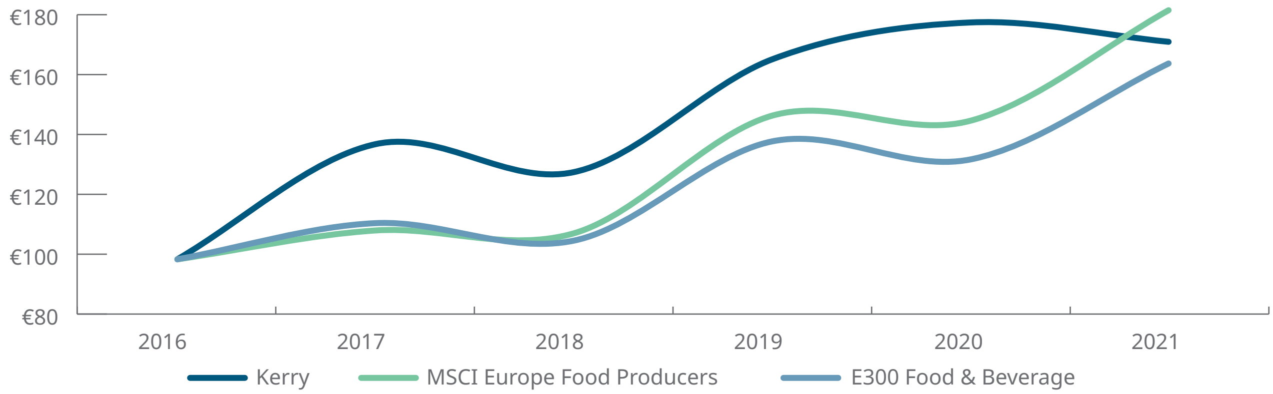
Non-Executive Director Fees for 2022

Non-Executive Director fees were reviewed in 2020 and increases were made effective from 1 January 2021. For 2022, no substantive increases are proposed, and in line with the Remuneration Policy approved by Shareholders at the 2021 AGM, the basic fee paid to the Chairman and the Non-Executive Directors will be increased in line with the increase available to the general workforce (+ 2.5%) in Ireland. No increases will be applied to Committee membership or Chair fees.

Remuneration Policy Outturn 2021

In determining the Executive Director's remuneration outturns for the financial year, the Committee maintained a clear and rigorous focus on aligning pay with performance in the context of another challenging year driven by COVID-19.

5 Year Total Shareholder Return (Value of €100 Invested on 31/12/2016)



Long Term Incentive Plan 2019-2021 Outturn

The three year performance period in respect of the 2019-2021 LTIP award ended on 31 December 2021. The 2019 LTIP award was subject to Adjusted Earnings per Share (EPS), Total Shareholder Return (TSR) and Return on Average Capital Employed (ROACE) performance metrics.

Good performance was achieved against our TSR and ROACE performance metrics over the three-year period. However, the COVID-19 pandemic had a significant impact on the EPS metric in 2020 (-9.4%), which effectively negated the EPS growth achieved in 2021 (12.1% after recognising a dilution of 3.2% resulting from the disposal of the Consumer Foods Meats and Meals business) and 2019 (+8.3%). As a result, the threshold level for this metric, weighted at 50% of the overall award, was not achieved.

The final outcome of the 2019-2021 LTIP award was 22% of maximum opportunity as outlined in further detail on page 143. This is the second financial year in which the impact of the pandemic during 2020 has had a very significant impact on the remuneration outcomes for our Executive Directors and in particular on their LTIP vesting outcome (2019 LTIP award: 22%, 2018 LTIP award: 33%).

This outcome is clearly disappointing, particularly in consideration of the continued strong leadership of our Executive Directors into and throughout 2021, as well as the positive stakeholder experience over the past 3 years. On behalf of the Committee, I wish to wholeheartedly commend our Executive Team and emphasise again our sincere appreciation of their dedication and their excellent leadership over the three year performance period. Their leadership has ensured the resilience of the Kerry business and sustained shareholder return against the very challenging backdrop of the COVID-19 pandemic. We would particularly commend their leadership of the significant strategic steps taken in 2021 to enhance shareholder prospects for improved long-term returns.

Whilst the Committee decided not to exercise discretion to amend the formulaic vesting of the 2019 LTIP for Executive Directors despite a strong supporting case, consistent with our decision in 2020 we have decided to exercise discretion for their extended leadership teams. The formulaic vesting of the 2019 LTIP for approximately 400 leaders will be adjusted from 22% to 45%, in recognition of their sustained commitment, agility and performance against a very challenging backdrop.

Other Matters

Committee Refreshment

Ms Emer Gilvarry was appointed to the Committee on 16 June 2021. Emer is a highly experienced professional who brings legal, business and corporate governance expertise to the Committee and also has remuneration committee experience with other listed companies.

Committee Performance

An internal review of the Remuneration Committee's performance was undertaken by the Committee during 2021 and the outcome of this review is that the Committee is operating effectively.

Conclusion

2021 has been a successful year for Kerry and the Committee has faced difficult decisions in appropriately recognising the contributions of our leadership teams in very challenging circumstances. The 2019 LTIP outturn for our Executive Directors is disappointing in the context of their excellent leadership and the decision we have taken regarding the LTIP vesting for their extended leadership teams demonstrates our full appreciation of their sustained contribution to Kerry.

The Committee continues to review the Group's Remuneration Policy to ensure that it remains aligned to shareholders' long term interests, is correctly reported in accordance with relevant legislation and provides the right framework to attract, retain and motivate the Executive Directors in line with the pay for performance principle.

As in previous years, the Remuneration Report is being put to shareholders for an advisory vote. Last year, 99% of our shareholders who voted, voted in favour of the Remuneration Report and I hope our shareholders continue to provide their support at this year's AGM.

Finally, I would like to take this opportunity to thank the members of the Remuneration Committee for their commitment and support during the year.

Tom Moran
Chairperson, of the Remuneration Committee

Section B: Remuneration Committee and Key Activities

Committee Membership

During 2021, the Remuneration Committee comprised four independent non-Executive Directors; Dr. Karin Dorrepaal, Mr. Tom Moran, Mr. Christopher Rogers and was chaired initially by Ms. Joan Garahy. Following Joan Garahy's retirement from the Board and the Committee in April, Tom Moran was appointed Chair of the Committee. Ms. Emer Gilvarry joined the Committee in June 2021. Details of the skills and experience of the Directors are contained in the Directors' biographies on pages 87-89.

Role and Responsibilities

On behalf of the Board, the Remuneration Committee is responsible for determining the Remuneration Policy for the CEO, other Executive Directors and senior management on an annual basis. The CEO is invited to attend Remuneration Committee meetings but does not attend Committee meetings when his own remuneration is discussed. The Committee also has access to internal and external professional advice as required. The Committee follows an annual and tri-annual calendar with matters scheduled and planned well in advance. Decisions are made within agreed reference terms, with additional meetings held as required. In considering the agenda, the Committee gives due regard to overall business strategy, the interests of shareholders, employees, other stakeholders and the performance of the Group. The main responsibilities of the Committee, which were reviewed during 2021, are set out in written terms of reference which are available from the Group's website www.kerrygroup.com or upon request.

Primary Responsibilities of the Remuneration Committee

- To determine the Remuneration Policy for, and set the remuneration of the CEO, Executive Directors and senior management;
- To review the remuneration of the Chairman;
- To receive the recommendations of the CEO and set the salaries and overall remuneration of senior management;
- To review and approve incentive plan structures and targets;
- To agree the design of all share incentive plans for approval by the shareholders;
- To ensure alignment of incentives and rewards with strategy, values and culture;
- To ensure the contractual terms of Executive Directors and senior management are deemed fair and reasonable;
- To place before shareholders at each AGM, a Directors' Remuneration Report setting out the Group's policy and disclosures on remuneration;
- To arrange where appropriate, external benchmarking of overall remuneration levels and the effectiveness of incentive schemes;
- To review annually its own performance and terms of reference to ensure it is operating effectively;
- To engage with the workforce to explain how executive remuneration aligns with the wider company pay policy;
- To review workforce remuneration and related policies and the alignment of incentives and rewards with the Group's culture, and take these into account when setting the policy for executives; and
- To consider appropriate application and use of clawback and malus provisions as well as discretion to adjust the formulaic outturns for performance related pay.

Remuneration Committee Meetings and Activities 2021

The Committee held four scheduled meetings and two additional meetings during 2021. The additional meetings were required to review the incentive plan metrics in the context of the updated mid-term targets, as outlined during the Capital Markets Day, and to consider the Executive Director's remuneration outturns for the financial year. Attendance at these meetings is outlined on page 106.

The key activities undertaken by the Committee in discharging its duties during 2021 are set out below:

Subject	Remuneration Committee Activity
Remuneration Report	A review of best practice remuneration reporting was completed during 2021 to ensure compliance with relevant legislation and reporting requirements while also ensuring the delivery of a report which is transparent and understandable for all shareholders. As part of this review, the Committee considered the recent updates and guidance issued by the main shareholder representative bodies and proxy advisors, together with the 2014 Irish Companies Act, the EU Shareholders' Rights Directive (as transposed into Irish law), the 2018 UK Corporate Governance Code and the UK Companies (Miscellaneous Reporting) Regulations 2018.
Remuneration Policy Review	The Committee reviewed the new policy and concluded that it has operated as intended, and that the second phase of the LTIP changes will be applied from 2022.
Impact of COVID-19 on pay and conditions for the general workforce and on Inflight STIP and LTIP Awards	The Committee considered the impact of COVID-19 on the pay and conditions for the general workforce and on inflight STIP and LTIP awards. In recognition of the achievements of employees and leadership teams, pay levels were retained for all employees, with annual merit increases also being awarded to employees across all geographies in 2021 and 2022. The Committee exercised discretion to increase the formulaic vesting level for the 2018 LTIP award which vested in March 2021, from 32.5% to 45.9%, for approximately 400 senior leaders (excluding Executive Directors).

Subject	Remuneration Committee Activity
Basic salary	The Committee continued to monitor the level of basic salaries of the CEO and Executive Directors in line with market practice following the detailed benchmark review of Executive Directors' salaries completed in 2020.
STIP	The STIP was reviewed during 2021 to ensure that the metrics are aligned with Group strategy and that the associated targets are appropriately stretching. The Committee concluded that there was no requirement to exercise discretion, as the 2021 STIP outcome reflected the underlying performance of the business and the strong performance of the Executive Directors against their strategic objectives.
LTIP	The Committee considered the overall effectiveness of the LTIP in 2021 to ensure that it is structured appropriately to incentivise Executive Directors and senior managers across the Group. The Committee, having considered the current environment and following consultation with major shareholders and proxy advisors determined not to amend the formulaic outcome for the 2019 LTIP award in respect of the Executive Directors, despite the strong and sustained executive leadership during 2021 and over the three-year performance period.
Chairman & Non-Executive Directors Fees	A detailed benchmark review of the Chairman and non-Executive Directors, fees was undertaken in 2020 with the assistance of Korn Ferry. As provided in the Remuneration Policy put to Shareholders at the 2021 AGM, the Chairman's and non-Executive Director basic fees will be increased annually in line with the increase available to the general workforce in Ireland.
Senior Management	In accordance with the terms of the Code, the Committee set the remuneration arrangements for senior management and the Company Secretary.
Workforce Remuneration and Related Policies	During the year, the Committee was provided with information on pay policies and procedures for the wider workforce to consider and review fairness and alignment with Group strategy and with the Executive Directors' Remuneration Policy, as well as to inform its decision making in relation to Executive Director remuneration. This included an update on the impact which COVID-19 had on the pay and conditions for the wider workforce, an update on the Global Recognition Programme Inspiring People launched in 2021, an update on the refresh of the Group's Sales Incentive Plan (SIP) for the global sales team to be launched in Q1 2022, a review of gender pay and an overview of the approach for the annual pay reviews in all the countries in which the Group operates, as well as the structure and annual cost of the STIP and LTIP awards below Board level. The Committee continues to review the proposal to introduce an all employee share plan and the timelines within which this will be put to shareholders for approval and subsequent implementation across the Group.
Shareholder Consultation	The Committee reviewed the results of the shareholder vote on the Remuneration Policy and Report at the 2021 AGM, noting that 97% of shareholders supported the implementation of the new policy and 99% supported the Report. The Committee also reviewed the additional feedback received from the proxy advisors. In early 2022, the Chairperson of the Committee consulted with a number of the Company's major institutional shareholders and with proxy advisors regarding the impact of COVID-19 on inflight LTIP awards in the context of the strong performance by the Executive Directors in 2021 and the wider positive stakeholder experience over the 3-year performance period. The Committee welcomed the engagement and the shareholders consulted provided input and commentary which was considered by the Committee. These inputs, together with inputs from the major proxy advisors informed the Committee's decision in relation to inflight LTIP awards.
Committee Evaluation	As outlined on page 107 an internal review of the Board and its Committees took place in 2021. The outcome of the review is that the Remuneration Committee is operating effectively.
Terms of Reference	During the year, the Committee reviewed and updated its Terms of Reference. A copy of these terms is available on the Group website www.kerrygroup.com.

Work of the Committee in Determining Executive Director Remuneration

The Committee considers the appropriateness of the Executive Directors' remuneration not only in the context of overall business performance and environmental, social and governance (ESG) matters but also in the context of wider workforce pay conditions (taking into account workforce policies and practices) and external market data to ensure that it is fair and appropriate for the role, experience of the individual, responsibilities and performance delivered.

Remuneration Committee Advisors

The Remuneration Committee is authorised by the Board to appoint external advisors and Korn Ferry is the advisor to the Remuneration Committee. Korn Ferry also supported the Governance, Nomination and Sustainability Committee and provided other leadership and talent consulting services to the Group during the year through separate parts of the business. The Committee is comfortable that the controls in place at Korn Ferry do not result in the potential for any conflicts of interest to arise.

The fees incurred with Korn Ferry for advising the Committee in 2021 were €84,990 (2020: €217,584)

Section C: Remuneration Policy

Remuneration Principles

The Group's Executive Director remuneration philosophy is to ensure that executive remuneration is aligned to the Group's purpose and values, supports strategy, promotes the long-term success of the company, properly reflects the duties and responsibilities of the Executives, and is structured to attract, retain and motivate individuals of the highest quality on an international basis. Remuneration includes performance related elements designed to align Directors' interests with those of shareholders and to promote long-term sustainable growth and performance at the highest levels in line with the Group's strategy.

A high proportion of Executive Directors' potential remuneration is based on short-term and long-term performance related incentive programmes. By incorporating these elements, the Remuneration Committee believes that the interest and risk appetite of the Executive Directors is properly aligned with the interests of the shareholders and other stakeholders. When authorising remuneration outcomes, the Committee exercises independent judgement and discretion, taking account of Group and individual performance as well as the investor experience, environmental, governance and social matters and wider workforce pay conditions to ensure that it is fair and appropriate for the role, experience of the individual, responsibilities and performance delivered.

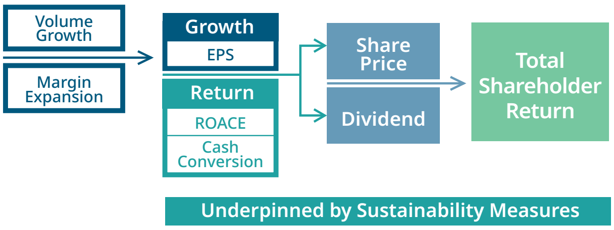
Drivers of Shareholder Return

As outlined in the Strategic Report on page 31, Volume Growth and Margin Expansion are the main drivers of Adjusted Earnings Per Share (EPS) which is the key performance metric for measuring growth. Return on Average Capital Employed (ROACE) is a key measure of how efficiently the Group employs its available capital. Cash Conversion is an important indicator of the cash the Group generates for reinvestment or for return to shareholders.

These are the main Group metrics which drive the Executive Director's Short Term Incentive Plan (STIP) and Long Term Incentive Plan (LTIP) underpinned by the Group's sustainability measures. Together these metrics deliver Total Shareholder Return which aligns the interest of the Executive Directors with that of the shareholders.

Our remuneration philosophy also supports our long-term approach by deferring a significant part of annual and long term variable remuneration into share awards, which provides clear alignment with the long-term interests of shareholders, together with requiring Executives to acquire and maintain significant shareholdings in the Group.

In line with best market practice, malus and clawback provisions apply to the Executive Director's STIP and LTIP awards.



Remuneration Policy

Kerry's current Remuneration Policy was submitted to a non-binding advisory vote at the 2021 Annual General Meeting, one year earlier than required under the Shareholders Rights Directive as enacted in Ireland.

As an Irish incorporated company, Kerry Group plc is not obliged to comply with the UK legislation which requires UK companies to submit their remuneration policies to a binding shareholder vote every three years or earlier if changes are required prior to this.

Similarly, Kerry Group plc is not required to comply with the remuneration reporting regulation contained in the UK Companies (Miscellaneous Reporting) Regulations 2018 but follows the requirements as a matter of best practice unless they conflict with Irish or other legal requirements or there are other reasons where it is considered not practicable to do so.

In setting remuneration levels, the Committee has regard to comparable UK, USA and European companies which are comparable to the Group in terms of size, geographical spread and complexity of business, and operate in the food and beverage and other sectors. It also considers workforce remuneration and related policies and employment conditions elsewhere in the Group.

In designing the Remuneration Policy, the Committee considered the best practice features detailed in the 2018 UK Corporate Governance Code as follows:

Matters	Examples
Clarity	The policy is clear, uncomplicated and well understood by the Executive Directors. It has been clearly communicated to shareholders and proxy advisors. Our Chief Human Resources Officer's (CHRO) role has direct responsibility for engaging with our employees and collaborates closely with Mr. Tom Moran, our designated workforce engagement Director. The Committee monitors the effectiveness of engagement with the wider workforce through updates provided by the CHRO and the designated workforce engagement Director. The Board is comfortable that our Remuneration Policy is clearly understandable by employees.
Simplicity	The Committee considers that the Remuneration Policy is simple and easy to understand. The Remuneration Policy is aligned with the strategy and business model of the Group. The Committee has purposefully avoided any complex structures which have the potential to be misunderstood and deliver unintended outcomes.
Risk	The Remuneration Policy is designed to discourage inappropriate risk taking and to ensure that it is not rewarded. This is achieved by (i) the balanced use of both short-term and long-term incentive plans which employ a blend of financial, non-financial and shareholder return targets (ii) the significant role played by equity in our incentive plans together with shareholding requirements and (iii) malus and clawback provisions and (iv) the ability of the Committee to utilise discretion to adjust formulaic outcomes to ensure outcomes are aligned to, and are reflective of, the underlying business performance of the Group.
Predictability	Executive Directors' remuneration is subject to individual participation caps, with our share-based plans also subject to market standard dilution limits. The scenario charts on page 133 illustrate how the rewards potentially receivable by our Executive Directors vary based on performance delivered and share price growth.
Proportionality	There is a clear link between individual rewards, delivery of strategy and long-term performance. In addition, the significant role played by STIP and LTIP/'at risk' pay, together with the structure of the Executive Directors service contracts, ensures that poor performance is not rewarded.
Alignment to Culture	Kerry has a relentless focus on delivering for our shareholders and other stakeholders and this is fully aligned with our Remuneration Policy in that employee personal success is directly linked to the success of the Group through the short-term and long-term incentive plans and targets we operate. The Committee is satisfied the Remuneration Policy is fully aligned with the Group's diverse, entrepreneurial and results focused culture which is underpinned by our Values of Courage, Ownership, Inclusiveness, Open-mindedness and Enterprising Spirit.

The company is operating its remuneration arrangements in line with the approved Remuneration Policy which came into effect in 2021 and will apply for up to three years. The Committee is comfortable that the policy remains appropriate supporting the Group's strategy and that no changes are required prior to the triennial vote at the 2024 AGM. The current policy is reproduced below for ease of reference.

Remuneration Policy Table

The following table details the Remuneration Policy for the Executive Directors for the period 2021 to 2023:

Purpose and Link to Strategy	Operation	Opportunity	Performance Metrics
Basic Salary			
Reflects the value of the individual, their skills and experience Competitive salaries are set to promote the long-term success of the Company and attract, retain and motivate Executive Directors to deliver strong performance for the Group in line with the Group's strategic objectives	– Remuneration Committee sets the basic salary and benefits of each Executive Director – Determined after taking into account a number of elements including the Executive Directors' performance, experience and level of responsibility – Paid monthly in Ireland and bi-weekly in the US – Salary is referenced to job responsibility and internal/external market data	– Set at a level to attract, retain and motivate Executive Directors – Reviewed annually – Full review undertaken every three years	– Not applicable
Benefits			
To provide a competitive benefit package aligned with the role and responsibilities of Executive Directors	– These benefits primarily relate to the use of a company car or a car allowance	– Not applicable	– Not applicable

Purpose and Link to Strategy	Operation	Opportunity	Performance Metrics
Pension			
To provide competitive retirement benefits to attract and retain Executive Directors	– Pension arrangements may vary based on the Executive Director's location – Irish resident Executive Directors participate in the general employee defined contribution pension scheme or receive a contribution to an after-tax savings scheme (where the lifetime earnings cap has been reached) or receive a taxable cash alternative based on a percentage of basic salary – The existing Executive Director in the US participates in the Group's defined benefit and defined contribution pension schemes. The normal retirement age under the defined benefit scheme is 65 years of age. Early retirement is possible from age 55 onwards	– Pension values currently vary based on local practice – The pension contribution rates for incumbent Executive Directors will be reduced to 10% of basic salary, in line with Kerry's Irish general workforce rate, with effect from 1 January 2023 – The maximum company pension contribution rate for new Executive Director appointments is aligned to that of the general workforce rate	– Not applicable
Short Term Incentive Plan (STIP)			
To incentivise the achievement, on an annual basis, of key performance metrics and short-term goals beneficial to the Group and the delivery of the Group's strategy One third of the award is deferred in shares/options providing a two year retention element and aligns Executive Directors' interests with shareholders' interests	– Achievement of predetermined performance targets set by the Remuneration Committee – Performance targets aligned to the Group's published strategic targets with the targets and weightings for financial metrics subject to annual review – Two thirds of the award is payable in cash – One third of the award is awarded by way of shares/options to be issued two years after vesting following a deferral period – Malus and clawback provisions are in place for awards under the STIP (see page 131)	– Maximum opportunity is 175%-200% of basic salary – Target opportunity is 50% of maximum opportunity for on-target performance – Threshold performance results in a bonus payable at 0% of maximum	For FY 2022 – Volume Growth – Margin Expansion – Cash Conversion – Strategic Objectives
Long Term Incentive Plan (LTIP)			
Retention of key personnel and incentivisation of sustained performance against key Group strategic metrics over a longer period of time Share-based to provide alignment with shareholder interests A two-year post vesting deferral requirement aligns Executive Directors' interests with shareholders' interests	– The awards vest depending on a number of performance metrics being met over a three-year performance period – Conditional awards over shares or share options – Following vesting, 100% of the earned award is deferred for a period of two years (i.e. giving a combined performance period and deferral period of five years) – Malus and clawback provisions are in place for awards under LTIP (see page 131)	– Maximum opportunity is 250% - 300% of basic salary	For FY 2022 – Adjusted Earnings Per Share "EPS" – Total Shareholder Return "TSR" – Return on Average Capital Employed "ROACE" – Sustainability metrics

Purpose and Link to Strategy	Operation	Opportunity	Performance Metrics
Shareholding Requirement			
Maintain alignment of the interests of the shareholders and the Executive Directors and commitment over the long-term	– Executive Directors are required to build and to hold shares in the Company to a minimum level of 250%-300% of their basic salary – Shareholding requirement to be satisfied through retention of a minimum of 50% of vested annual bonus and LTIP shares (excluding the sale of shares to cover tax on vesting), until the shareholding requirement is met – A post-employment shareholding requirement obliges Executive Directors to hold the lower of (i) their actual shareholding and (ii) their in-service shareholding requirement for two years post-employment. Applies to shares acquired from new awards and does not apply to own purchased shares	– 250%-300% of basic salary	– Not applicable

Selection of performance targets

STIP
Financial performance targets under the STIP are set by the Remuneration Committee with reference to the prior year, current year budget and medium-term financial targets. They align with the Group's strategic objectives while also ensuring the long-term operational and financial stability of the Group. Targets are set at appropriately stretching levels to achieve threshold, target and maximum payout levels. Performance targets are based predominately on the financial metrics of Volume Growth, Margin Expansion and Cash Conversion (amounting to 80% of maximum opportunity).

Volume Growth and Margin Expansion are key performance metrics as they are the main drivers of Adjusted EPS Growth. Cash Conversion is key to ensuring there are sufficient funds available for reinvestment or for return to shareholders.

Strategic objectives (amounting to 20% of maximum opportunity) are relevant to each Executive Director's specific area of responsibility and are key in ensuring focus on the strategic and functional priorities of the business.

Due to their commercial sensitivity, the Committee is of the view that it would be detrimental to the Company to disclose the targets in advance of or during the relevant performance period. The Committee will disclose the targets and performance against them in next year's Remuneration Report.

LTIP
The performance targets under the LTIP are set to reflect the Group's longer-term growth objectives and at a level where maximum opportunity genuinely represents outperformance. The performance metrics are currently based on Adjusted EPS Growth, TSR, ROACE and Sustainability metrics.

Adjusted EPS Growth is a key performance metric encompassing all the components of growth important to the Group's stakeholders. EPS Growth is driven by the STIP metrics, Volume Growth and Margin Expansion. TSR is an important indicator of how successful the Group has been in terms of shareholder value creation. ROACE represents a good perspective on the Group's internal rate of return and financial added value for shareholders. ROACE supports the strategic focus on growth and margins through ensuring cash is reinvested to generate appropriate returns. Sustainability metrics are core to maintaining our strategy and long-term sustainable performance and are reviewed at the time of each award.

How Remuneration Links with Strategy

Performance Metrics	Strategic Priority	Incentive Scheme
Volume growth	Key driver of revenue growth	STIP
Margin expansion	Key driver of profit growth	STIP
Cash conversion	Cash generation for reinvestment or return to shareholders	STIP
Strategic objectives	Development and execution of business strategies	STIP
Adjusted EPS growth	Delivery of the Group's long-term growth strategy	LTIP
TSR	Delivery of shareholder value	LTIP
ROACE	Balance growth and return	LTIP
Sustainability	Core to our strategy and long-term sustainable performance	LTIP

Malus/Clawback

The Committee has the discretion to reduce or impose further conditions on the STIP and LTIP awards prior to vesting (malus). The Committee further has the discretion to recover incentives paid within a period of two years from vesting (clawback).

The key trigger events for the use of malus and clawback provisions include material misstatement of the Company's audited financial results, serious wrongdoing, payment made on the basis of erroneous data, gross misconduct, serious reputational damage and corporate failure.

Any recalculation of the award shall be effected in such manner and subject to such procedures as the Group determines to be measured and appropriate, including repayment of any excess incentive or offset against any amounts due or potentially due to the participant under any vested or unvested incentive awards.

The Company retains the right to apply the malus and clawback provisions to former directors STIP and LTIP awards. Other elements of remuneration are not subject to malus or clawback provisions.

Committee Discretion

The Committee has discretion to adjust the formulaic outcomes under STIP and LTIP to ensure outcomes are aligned to and are reflective of the underlying business performance of the Group.

In line with plan rules, the Committee may, at its discretion, amend or vary the performance metrics of the STIP and LTIP related incentives, the calculation methodology for those performance metrics and the composition of the TSR peer group when appropriate, in the interest of alignment and fairness.

Service Contracts

The CEO and Executive Directors have service contracts in place which can be terminated by either party giving 12 months notice. In addition, all service contracts include pay in lieu of notice, non-compete and non-solicitation provisions of up to 12 months post departure, in order to protect the Group's customer base, employees and intellectual property.

No ex-gratia severance payments are provided for in respect of the CEO or Executive Directors.

Remuneration Policy for Recruitment of New Executive Directors

The Remuneration Committee will determine the contractual terms for new Executive Directors, subject to appropriate professional advice to ensure that these reflect best practice and are subject to the limits specified in the Group's approved policy as set out in this report.

Salary levels for new Executive Directors will take into account the experience and calibre of the individual and his/her remuneration expectations. Where it is appropriate to offer a lower salary initially, a series of increases to the desired salary positioning may be made over subsequent years, subject to individual performance and development in the role.

Pension and benefits will be provided in line with the approved policy, with relocation, travel or other expenses provided if necessary.

The structure of the variable pay element will be in accordance with and subject to the limits set out in the Group's approved policy detailed above. Different performance measures may be set initially for STIP in the year an Executive Director joins the Group taking into account the responsibilities of the individual and the point in the financial year that he/she joins the Board. Subject to the rules of the scheme, an LTIP award may be granted after joining the Group.

If it is necessary to buy-out incentive pay or benefit arrangements (which would be forfeited on leaving the previous employer) in the case of an external appointment, this would be provided for taking into account the form (cash or shares), timing and expected value (i.e. likelihood of meeting any existing performance criteria) of the remuneration being forfeited. The general policy is that payment should be no more than the Committee considers is required to provide reasonable compensation for remuneration being forfeited. The Group's policy is that the period of notice for new Executive Directors should not exceed 12 months and should include pay in lieu of notice, non-compete and non-solicitation provisions to protect the Group.

The Committee will ensure that any arrangements agreed will be in the best interests of the Group and shareholders.

Payments for Loss of Office

In the event of a Director's departure, the Group's policy on termination is as follows:

- the Group will pay any amounts it is required to make in accordance with or in settlement of a Director's statutory employment rights and in line with their employment agreement;
- the Group will seek to ensure that no more is paid than is warranted in each individual case;
- STIP and LTIP awards will be paid out in line with plan rules on exit (i.e. for good leavers as defined in the LTIP rules), with awards prorated to normal vesting date, subject to performance and a two-year holding requirement and prorated to reflect the proportion of the performance period that has elapsed on the date of cessation; and
- other payments, such as legal or other professional fees, repatriation or relocation costs and/or outplacement fees, may be paid if it is considered appropriate and at the discretion of the Committee.

A Director's service contract may be terminated without notice and without any further payment or compensation, except for sums accrued up to the date of termination, on the occurrence of certain events such as gross misconduct.

Change of Control

Outstanding STIP and LTIP awards/options would normally vest and become exercisable on a change of control, subject to plan rules, including the satisfaction of any performance conditions and pro-rating. The Committee may exercise its discretion to vary the level of vesting having regard to the circumstances and reasons for the events giving rise to the change of control.

Alignment with Workforce Pay and Policies

The Remuneration Policy provides an overview of the structure that operates for the Group's Executive Directors and senior management. Differences in quantum will depend on size of the role and responsibility, the location of the role and local market practice.

When setting the Remuneration Policy for Executive Directors, the Committee considers the pay policies and procedures for the wider workforce. The key difference is that, overall, Remuneration Policy for the Executive Directors is more heavily weighted towards variable pay compared to other employees.

Basic salaries are operated under the same policy as detailed in the Remuneration Policy table with comparator groups used as a reference point. The Committee considers the basic salary increase for the broader workforce when determining the annual salary review for the Executive Directors.

Senior management are invited to participate in both the STIP and LTIP to incentivise performance through the achievement of short-term and long-term objectives and through the holding of shares in the Group.

The Committee will seek shareholder approval at a later date for an All-Employee Share Plan which will allow for the grant of various share-based awards to employees across the Group once implemented (subject to local tax and securities laws).

Consultation with Employees

When setting remuneration for Executive Directors the Committee takes into account the remuneration structures, policies and practices in the Group as a whole, the feedback from employee engagement activities and the information provided by our external advisors. In addition, matters relating to remuneration which come to the attention of the Committee Chairperson, in his capacity as the designated workforce engagement Director, are reported to the Committee. The Group has a number of different channels for engagement and the Committee continually reviews and enhances these channels to enable the Committee to engage more effectively with the wider workforce to explain broader pay policies and practices and the alignment to the Executive Directors' Remuneration Policy.

Consultation with Shareholders

The Committee considers the guidelines issued by the major institutional shareholders and the bodies representing them and the feedback provided by such proxy advisors and shareholders, when completing its annual and triennial review of the Group's Executive Remuneration policies and practices.

The Committee is committed to continued consultation with shareholders regarding its Remuneration Policy.

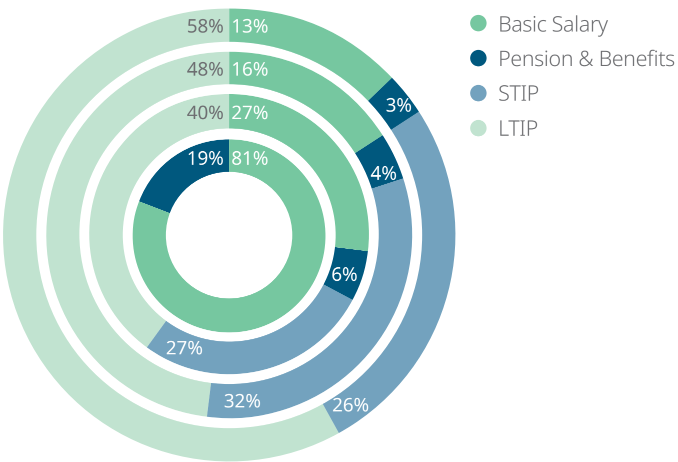
Non-Executive Directors' Remuneration Policy

Non-Executive Directors' fees, which are determined by the Executive Directors, fairly reflect the responsibilities and time spent by the non-Executive Directors on the Group's affairs. In determining the fees, which are set within the limits approved by shareholders, consideration is given to both the complexity of the Group and the level of fees paid to non-Executive Directors in comparable companies. Fees are reviewed on an annual basis and the basic fee is increased in line with the inflation increase available to the general force in Ireland. A detailed benchmark review is carried out on a three-year basis and any recommendations are presented to the Executive Directors for approval. Non-Executive Directors do not participate in the Group's incentive plans, pension arrangements or other elements of remuneration provided to the Executive Directors. Non-Executive Directors are reimbursed for travel and accommodation expenses (and any personal tax that may be due on those expenses). Non-Executive Directors are encouraged to build up a shareholding in the Company.

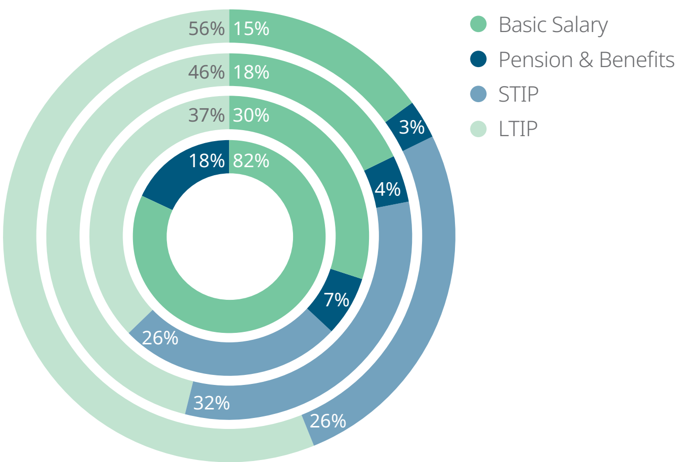
Illustration of Remuneration Policy

The following diagrams show the minimum, target, maximum and maximum +50% share appreciation composition balance between the fixed and variable remuneration components for each Executive Director effective for 2022. For illustration purposes, target performance for LTIP is reflected as 50% of maximum opportunity. The inner most circle represents the minimum potential scenario for remuneration, with the 2nd circle representing target, the 3rd circle representing maximum potential and the outer circle representing maximum potential plus 50% increase in the LTIP share value.

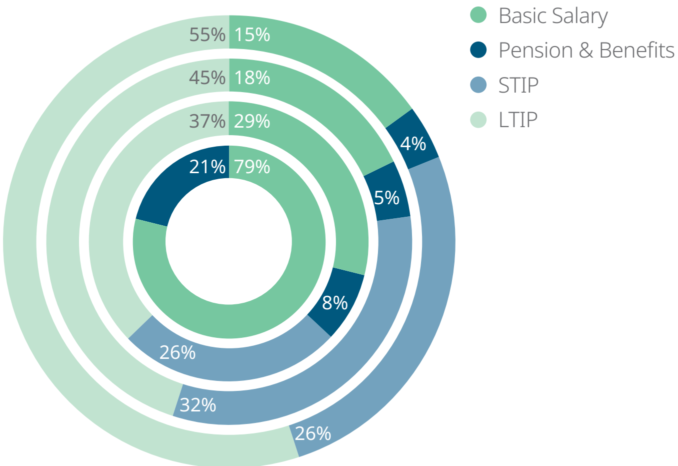
Edmond Scanlon



Marguerite Larkin



Gerry Behan



The charts above exclude the effect of any Company share price appreciation except in the 'maximum +50%' scenario.

Section D: Remuneration Policy Implementation

Part I: Remuneration Policy Implementation 2022

This part of the report sets out how the proposed Remuneration Policy as described on pages 127-128 will operate in 2022.

Basic Salary and Benefits

The salaries of the Executive Directors effective for the year commencing on 1 March 2022, together with the comparative figures, are as follows:

Directors	2022 €'000	2021 €'000	% Increase
Edmond Scanlon	1,249	1,219	2.5%
Marguerite Larkin	773	754	2.5%
	$'000	$'000	% Increase
Gerry Behan	1,019	987	3.3%

The increases in salaries for the Executive Directors are in line with increases for the general workforce in Ireland 2.5% and the US 3.3%.

Benefits relate primarily to the use of a company car/car allowance. Any travel arrangements or travel costs required for business purposes will also be met by the Group, on a net of tax basis.

Pensions

The Group CEO participates in the general employee Irish defined contribution scheme and the CFO receives a taxable cash allowance based on a percentage of basic salary, in lieu of pension. The CEO Taste & Nutrition participates in a US-defined contribution scheme and a US-defined benefit pension scheme.

Following the Remuneration Policy review carried out in 2020 pension contribution rates will continue as is for 2022. The pension contribution rate for Executive Directors will be aligned to that of Kerry's general workforce in Ireland (currently a rate of 10%) with effect from 1 January 2023.

Short-Term Incentive Plan (STIP)

A review of the STIP metrics was completed in 2021 to ensure that they remain appropriate, are linked to strategy, consistent with best practice and that the targets are appropriately calibrated. The Committee concluded that the only change required for 2022 was to amend the Margin Expansion metric from EBITA to EBITDA to reflect the updated mid-term targets and to ensure better alignment with internal performance measurement and with the metric more commonly used by our industry peers. There is no change to the weightings attributed to the metrics. All other metrics continue to support the Group's long-term sustainable growth and forward-looking strategy as well as attracting, motivating and retaining Executives of the highest quality internationally.

The maximum STIP opportunity remains the same as 2021: 200% of salary for the CEO and 175% of salary for the CFO and CEO Taste & Nutrition.

2022 STIP – Performance Metrics and Weightings				
	CEO and CFO % of award		CEO T&N % of award	
Group Metrics	Target	Max	Target	Max
Volume growth*	17.5%	35%	17.5%	35%
Margin expansion*	13.5%	27%	13.5%	27%
Cash conversion	9%	18%	9%	18%
Strategic objectives	10%	20%	10%	20%
Total	50%	100%	50%	100%

* The above metrics are measured at a Group level for the CEO and CFO and at a Taste & Nutrition level for the CEO of Taste & Nutrition.

The Committee is of the view that a 50% of maximum award payout for on target performance is appropriate taking into account the level of stretch in the targets set. Due to the commercial sensitivity of the financial metrics and strategic objectives, the Committee is of the view that it would be detrimental to the Company to disclose the targets in advance of, or during, the relevant performance period. The Committee will disclose the targets and performance against them in next year's Remuneration Report.

Long-Term Incentive Plan (LTIP)

A review of the LTIP metrics was completed in 2021 to ensure that they remain appropriate, linked to strategy and that targets are appropriately stretching. The Committee concluded that no changes were required in relation to the financial metrics other than to amend the target range applicable for the ROACE metric to better align with the new mid-term targets communicated at the Capital Markets Day held in October 2021. The target range for the sustainability metrics has been increased as the Group progresses on its journey towards the targets included in the sustainability strategy *Beyond the Horizon*.

LTIP Award Year	**2022**	
Performance Metrics	**Threshold**	**Maximum**
EPS (40% weighting)[1]		
Kerry's EPS growth per annum	6%	12%
% of award which vests	25%	100%
ROACE (15% weighting)		
ROACE return achieved	9%	13%
% of award which vests	25%	100%
Relative TSR (25% weighting)		
Position of Kerry in peer group[2]	Median	Greater than 75th%
% of award which vests	25%	100%
Sustainability (20% weighting)[3]		
Nutrition Reach Goal	1.20bn	1.40bn
Carbon Reduction	40%	48%
Food Waste Reduction	20%	25%
% of award which vests	25%	100%

Note 1: Adjusted EPS growth is measured on a constant currency basis.
Note 2: The TSR Peer Group companies are listed on page 143. For LTIP awards granted in 2021 and subsequent years Aryzta is being replaced with Ingredion.
Note 3: Please see pages 34-35 for further details in relation to sustainability metrics.

The Committee is satisfied that the target ranges above are appropriately stretching particularly given the current challenging trading environment, overall market growth rates, the level of capital expenditure required to support future growth ambitions and performance achieved against the previous targets set (see pages 34-35).

The Policy implemented in 2021 included an increase in the maximum LTIP opportunity to be implemented on a phased basis over two years. The second phase of the increase will be implemented in 2022 and in line with this each Executive Director will be awarded their maximum LTIP opportunity in 2022 as follows: CEO 300% of basic salary, CFO 250% of basic salary and CEO Taste & Nutrition 250% of basic salary.

See Group Key Performance Indicators (KPIs) on pages 34 and 35 for more information on the link between the performance metrics used for incentive purposes and the Group's Strategic Plan.

Non-Executive Director Remuneration Review

Non-Executive Director fees were last reviewed in 2020 and increases were made effective from 1 January 2021. As proposed in the Remuneration Policy put to Shareholders at the 2021 AGM, the Chairman's and non-Executive Director basic fees will be increased annually in line with the increase available to the general workforce in Ireland, which for 2022 is 2.5%. The following increases will be applied effective 1 March 2022.

Fee Type*	2022 Fees €	2021 Fees €
Chairman's fee	394,625	385,000
Non-Executive Director basic fee	86,100	84,000

* There are no changes to the Committee membership, Committee chair fees or any other fees.

Part II: Remuneration Policy Outturn 2021

Disclosures regarding Directors' remuneration have been drawn up on an individual Director basis in accordance with the requirements of the 2014 Irish Companies Act, the EU Shareholders' Rights Directive, the UK Corporate Governance Code, the Irish Annex, the Euronext Dublin Stock Exchange and the UK Listing Authority.

The information in the tables 1, 4, 5, 6 and 7 below including relevant footnotes (identified as audited) forms an integral part of the audited consolidated financial statements as described in the basis of preparation on page 168. All other information in the Remuneration Report is additional disclosure and does not form an integral part of the audited consolidated financial statements.

Executive Directors' Remuneration

Table 1: Individual Remuneration for the year ended 31 December 2021 (Audited)

	Irish Based Directors Euros				US Based Director US Dollars	
	Edmond Scanlon CEO		Marguerite Larkin CFO		Gerry Behan[6] CEO T&N	
	2021 €'000	2020 €'000	**2021 €'000**	2020 €'000	**2021 $'000**	2020 $'000
Basic Salary[1]	**1,217**	1,113	**752**	688	**984**	895
Benefits[2]	**62**	45	**34**	34	**72**	72
Pensions[3]	**219**	214	**135**	132	**207**	273
Total Fixed Remuneration	**1,498**	1,372	**921**	854	**1,263**	1,240
% Fixed v Total	**39%**	59%	**42%**	77%	**42%**	62%
STIP[4]	**1,752**	–	**948**	–	**1,240**	–
LTIP[5]	**605**	951	**337**	261	**513**	751
Total Variable Remuneration	**2,357**	951	**1,285**	261	**1,753**	751
% Variable v Total	**61%**	41%	**58%**	23%	**58%**	38%
Total Remuneration	**3,855**	2,323	**2,206**	1,115	**3,016**	1,991
					€'000	€'000
					2,534	1,762

Note 1: During 2020 as a solidarity gesture in light of COVID-19 and those impacted, the Executive Directors volunteered a 25% reduction in their basic salary for a three month period, hence the reason it appears there is a larger than the inflationary increase year on year.
Note 2: These benefits primarily relate to the use of a company car or a car allowance
Note 3: The pension figure for Edmond Scanlon relates to Irish defined contribution pension benefits. Marguerite Larkin received a taxable cash payment in lieu of pension benefits. The employer pension contribution in 2020 for both Edmond and Marguerite remained at 18% of their basic salaries before the 25% temporary voluntary reduction in salary referred to above. The pension figure for Gerry Behan includes both defined benefit and defined contribution retirement benefits and similarly his employer pension contribution for 2020 was not impacted by the voluntary basic salary reduction applied during the year
Note 4: The 2021 STIP amount represents 67% delivered in cash with 33% delivered by way of shares/share options which are deferred for two years.
Note 5: The share price used to calculate the value of the LTIP is the average share price for the three months up to the end of the year being reported. A positive share price movement versus that applicable at the date the conditional awards were granted has increased the valuation of the awards (that will vest in 2022) over the three years by €98,947 for Edmond Scanlon, €55,071 for Marguerite Larkin and by €70,586 for Gerry Behan. The LTIP included in this table was awarded in 2019.
Note 6: The table shows the Executive Director's pay in the currency of payment to ensure clarity in reflecting the year-on-year payment comparisons.
Note 7: The total remuneration for Executive Directors was €8,595k (2020: €5,200k) using a US dollar exchange rate of 1.19 (2020: 1.13).

Basic Salary Increases

Edmond Scanlon's basic salary as Group CEO was increased by 2.5% and the basic salaries of Marguerite Larkin and Gerry Behan were increased by 2.5% and 3% respectively effective from 1 February 2021 in line with increases for the general workforce in Ireland and the US respectively. However as noted above, the Executive Directors took a voluntary 25% basic salary reduction for a three month period in 2020 as a solidarity gesture in light of COVID-19 and those impacted.

Annual Incentive Outcomes (STIP)

Table 2: Annual Bonus Achievement Against Targets

Financial Metrics (CEO, CFO, and CEO T&N – 80% weighting)

Metric		1. Volume Growth* (35% weighting)		2. Margin Expansion* (27% weighting)		3. Cash Conversion (18% weighting)
		Group	Taste & Nutrition	Group	Taste & Nutrition	Group
Targets	Threshold	2%	2%	+30 bps	+30 bps	70%
	Target	4.5%	5.5%	+50 bps	+50 bps	80%
	Max	5%	6%	+80 bps	+80 bps	90%
Actual performance		8%	8.3%	40 bps	40 bps	84%
Bonus outcome		35%	35%	7%	7%	12%
Link to strategy		Volume Growth is a key performance metric as it is one of the main drivers of Adjusted EPS Growth		Margin Expansion is a key performance metrics as it is another main driver of Adjusted EPS Growth		Cash Conversion is key to ensuring there are sufficient funds available for reinvestment or for return to shareholders

* The above metrics are measured at Group level for the CEO and CFO and at Taste & Nutrition level for the CEO of Taste & Nutrition.

When setting the targets above the Committee considered them to be appropriate as they are aligned with the Group's strategic plan, were reflective of overall market conditions including the impact of COVID-19 on 2020 performance and the likely impact of COVID-19 on performance in 2021.The targets also take account of planned investments (both capital and operational) that the Group is making to enable revenue growth and margin expansion, as well as necessary working capital investments to mitigate global supply chain challenges and KerryConnect risks.

Strategic Objectives – 20% weighting

The table below sets out the performance outcome for the strategic element of the STIP.

Metric		4. Strategic Objectives (All – 20% weighting)		
		CEO	CFO	CEO T&N
Targets	Threshold	0	0	0
	Target	10	10	10
Max		20	20	20
Actual performance		18	18	18
Bonus outcome		18%	18%	18%
Link to strategy		Specific to the Executive Directors responsibility linked to strategic plan implementation and talent management.		

Details of Strategic Objectives

The Executive Directors are also measured against Strategic objectives. Performance against these objectives is determined by the Committee by reference to key targets agreed with the Executives at the start of the year.

<table>
<tr><th>Strategic Objective</th><th>Weighting</th><th>Performance Assessment</th><th>Achievement</th></tr>
<tr><td>CEO</td><td>20%</td><td></td><td>18%</td></tr>
<tr><td>Portfolio & Strategy</td><td>10%</td><td>Strong progress in further solidifying Kerry’s capability as a world leading Taste & Nutrition partner for the food, beverage and pharmaceutical markets:
– Seamless and simultaneous execution of significant strategic divestments and acquisitions during the year:
  – Sale of Consumer Foods Meats and Meals business completed.
  – Acquisition of Niacet and other strategic businesses with strong growth and profitability profiles, further building Kerry’s capability in Food Waste reduction and Bio-Pharma.
– Comprehensive strategy refresh and updated mid-term targets communicated at the Capital Markets Day held in October 2021:
  – Ambitious growth and profitability targets.
  – Concentration on key growth platforms of Authentic Taste, Plant-based, Food Waste, and Health & Bio-Pharma.
  – Enhanced sustainability targets with an increased target for Scope 1 and 2 emissions reduction from 33% to 55% by 2030, and an extension of our commitment to equal gender representation across all senior management roles by 2030.</td><td>10%</td></tr>
<tr><td>Operating Model & Digital Enablement</td><td>5%</td><td>Significant Operating Model enhancements to further strengthen execution capability across the Group:
– Digital enablement vision and roadmap established with a focus on enhanced customer and employee experience.
– Evolved the Global Business Services organisation as a key pillar of Kerry’s global operating model; two global centres established to deliver scalable repeatable services to all geographies.
– Operational excellence programme established to deliver end-to-end supply chain capability for delivery of the Group’s mid-term growth, margin and sustainability ambitions. Significant manufacturing footprint enhancements in key locations, Hammersdale - South Africa, Rome Georgia - USA, Nantong - China, Irapuato - Mexico, Olesnica - Poland and Jeddah - Saudi Arabia.</td><td>4%</td></tr>
<tr><td>Leadership Team and Succession Planning</td><td>5%</td><td>Strong progress in building strength, depth and diversity of leadership team and talent pipeline:
– Strength and diversity of global leadership team further enhanced through key internal promotions and external appointments to achieve the target of equal gender representation at senior management level by 2030.
– Championed Diversity, Inclusion and Belonging as a key business priority; ensured leadership accountability and robust plans in place to build enhanced inclusiveness and diversity.
– Continued to ensure rigour in executive succession planning and development.</td><td>4%</td></tr>
</table>

Strategic Objective	Weighting	Performance Assessment	Achievement
CFO	**20%**		**18%**

Portfolio & Strategy	10%	Strong progress in further solidifying Kerry's capability as a world leading Taste & Nutrition partner for the food, beverage and pharmaceutical markets:
		– Seamless and simultaneous execution of significant strategic divestments and acquisitions:
		  – Sale of Consumer Foods Meats and Meals business completed.
		  – Acquisition of Niacet and other strategic businesses with strong growth and profitability profiles, further building Kerry's capability in Food Waste reduction and Bio-Pharma.
		– Comprehensive strategy refresh and updated mid-term targets communicated at the Capital Markets Day held in October 2021:
		  – Ambitious growth and profitability targets.
		  – Concentration on key growth platforms of Authentic Taste, Plant-based, Food Waste, and Health & Bio-Pharma.
		  – Enhanced sustainability targets with an increased target for Scope 1 and 2 emissions reduction from 33% to 55% by 2030, and an extension of our commitment to equal gender representation across all senior management roles by 2030.
			10%

Global Business Services, Analytics & Finance Transformation	5%	Significant Operating Model enhancements to further strengthen execution capability across the Group.
		– Evolved the Global Business Services ("GBS") organisation as a key pillar of Kerry's global operating model:
		  – Two global centres established to deliver scalable repeatable services to all geographies.
		  – GBS leadership teams established to manage the transition of Finance, HR and Regulatory services to these centres.
		  – Infrastructure and capability put in place to further expand services to these centres in 2022.
		– GBS effectively leveraged to enhance and streamline the Finance Operating Model around three key pillars: Business partnering, Centres of Expertise and Centres of Scale, supported and enabled by finance digital solutions and analytics
		– Enhanced group-wide analytics capability to drive agility, empowerment and decision-making.
			4%

Leadership and Succession	5%	Strong progress in building strength, depth and diversity of the Finance leadership team and talent pipeline: – Strength and diversity of global Finance leadership team further enhanced through key internal promotions and external appointments to achieve the target of equal gender representation at senior management level by 2030. – Championed Diversity, Inclusion and Belonging as a key business priority; ensured leadership accountability and robust plans in place to build enhanced inclusiveness and diversity. – Continued to ensure rigour in executive succession planning and development.	4%

Strategic Objective	Weighting	Performance Assessment	Achievement
CEO T&N	**20%**		**18%**

Portfolio & Strategy	10%	Strong progress in further solidifying Kerry's capability as a world leading Taste & Nutrition partner for the food, beverage and pharmaceutical markets:
		– Acquisition of Niacet and other strategic businesses with strong growth and profitability profiles, further building Kerry's capability in Food Waste reduction and Bio-Pharma.
		– Comprehensive strategy refresh and updated mid-term targets communicated at the Kerry Capital Markets Day in October 2021:
		  – Ambitious growth and profitability targets.
		  – Concentration on key growth platforms of Authentic Taste, Plant-based, Food Waste, and Health & Bio-Pharma.
		  – Enhanced sustainability targets with an increased target for Scope 1 and 2 emissions reduction from 33% to 55% by 2030, and an extension of our commitment to equal gender representation across all senior management roles by 2030.
			10%

T&N Operating Model Enhancements	5%	Enhanced commercial Operating model embedded consistently across all regions fully aligned to strategic growth priorities: – Global Taste Organisation reinforced, with taste leadership embedded in all regions. – Global Plant-based, Food Waste, and Health & Bio-Pharma Portfolio teams strengthened, coupled with strengthened capability in all regions. – Chief Commercial Officer function in place and, in partnership with regions, driving commercial excellence, digital enablement and enhanced customer experience. – Operational excellence programme established to deliver end-to-end supply chain capability across T&N for delivery of the Group's mid-term revenue growth, margin expansion and sustainability ambitions. – Significant manufacturing footprint enhancements in key locations, including Hammersdale - South Africa, Rome, Georgia, USA, Nantong - China, Irapuato - Mexico, Olesnica - Poland and Jeddah - Saudi Arabia.	4%
Leadership and Succession	5%	Further strengthened T&N leadership through internal promotions, strategic external hires and ongoing coaching and development: – Chief Commercial Officer driving commercial excellence and enhanced customer experience group-wide. – Appointment and ongoing mentoring of new CEOs in Europe and North America. – Enhanced diversity and leadership capability across all strategic growth priorities through a combination of internal promotions, external hires and ongoing coaching and development to achieve the target of equal gender representation at senior management level by 2030.	4%

The Committee reviewed progress against these objectives and concluded that strong progress was made by the Executive Directors against the objectives outlined above, which resulted in an award that was close to maximum achievement.

Discretion

The Committee concluded that there was no requirement to exercise discretion as the 2021 STIP outcomes reflected the underlying performance of the business, the broader stakeholder experience and the strong performance of the Executive Directors against strategic objectives.

Final Outturn for 2021

The targets for the Executive Directors, which were set by the Remuneration Committee, were challenging and stretching in the context of the uncertain and volatile economic environment due to inflationary pressures and the evolving and fast-changing COVID-19 situation. For 2021, a pay-out of 72% of max opportunity was achieved by each Director.

Under the policy, one third of the bonus is awarded by way of shares or options which are issued following the end of the two-year deferral period.

Long-Term Incentive Plan (LTIP)

2021 LTIP

A new LTIP plan was approved by shareholders at the 2021 AGM. The first conditional awards under this plan were made to Executive Directors in 2021. Subject to performance metrics being met over a three-year performance period, the first awards under this plan will potentially vest in March 2024, 100% of which will be subject to a two-year deferral period.

2013 LTIP

The terms and conditions of the plan were approved by shareholders at the 2013 AGM. The Remuneration Committee approves the terms, conditions and allocation of conditional awards under the Group's LTIP to Executive Directors and senior management. Under this plan, Executive Directors and senior management are invited to participate in conditional awards over shares or share options in the Company.

Subject to performance metrics being met over a three-year performance period, the LTIP award will vest on the third anniversary of the date of grant. 50% of the award is delivered at the vesting date with the remaining 50% of the award being delivered following a two-year deferral period. This provides for a combined performance period and deferral period of five years for half of the award that vests.

The first conditional awards under this scheme were made to Executive Directors in 2013. The maximum award that can be made to an individual Executive Director under the LTIP over a 12-month period is equivalent to 180%-200% of basic salary for that period.

An award may lapse if a participant ceases to be employed within the Group before the vesting date. The market price of the shares on the date of each award outlined above is disclosed in note 28 to the financial statements.

The proportion of each conditional award which vests will depend on the Adjusted EPS Growth, TSR and ROACE performance of the Group during the relevant three year performance period.

2019 LTIP Awards

Set out below is the performance against targets for the 2019 LTIP award where the three-year performance period ended on 31 December 2021 and the award vests in 2022.

EPS Performance Test

50% of the award vests according to the Group's average adjusted EPS growth ('EPS metric') over the performance period. This measurement is determined by reference to the growth in the Group's adjusted EPS calculated on a constant currency basis in each of the three financial years in the performance period in accordance with the vesting schedule outlined in the following table:

	Average Adjusted EPS Growth	Percentage of the Award Which Vests
Threshold	6%	25%
Target	10%	50%
Maximum	12%	100%

Below 6% none of the award vests. Vesting between target points is on a straight line basis.

The COVID-19 pandemic had a particular impact on the EPS metric in 2020 (-9.4%), which negated the strong EPS growth achieved in 2019 (+8.3%) and 2021 (+12.1% after recognising a dilution of 3.2% resulting from the disposal of the Consumer Foods Meats and Meals business). As a result, the threshold level for this metric was not achieved, resulting in an award outcome calculated on a formulaic basis of 0% out of a possible maximum of 50%.

TSR Performance Test

30% of the award vests according to the Group's TSR performance over the period measured against the TSR performance of a peer group of listed companies over the same three-year performance period. The peer group consists of Kerry and the following companies:

Chr. Hansen	Givaudan	Kellogg's	Sensient Technologies
Barry Callebaut	Glanbia	McCormick & Co.	Symrise
Corbion	Greencore	Nestlé	Tate & Lyle
Aryzta/Ingredion*	Danone	Novozymes	Unilever
General Mills	IFF	Premier Foods	

* Aryzta was replaced by Ingredion for awards granted in 2021 and subsequent years.

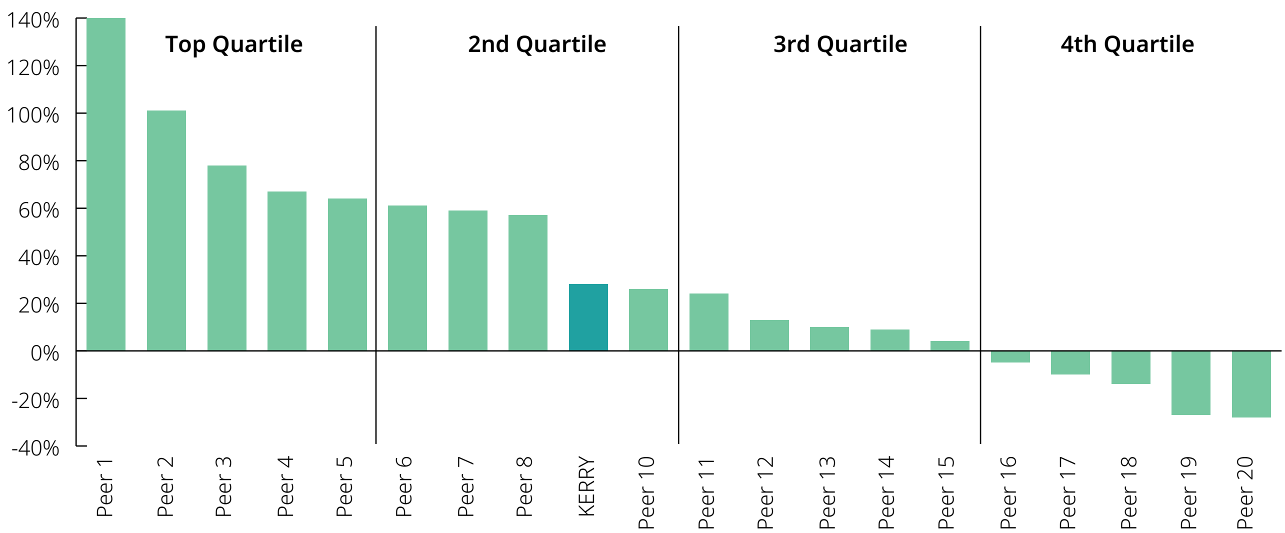
When assessing whether the performance hurdle has been met, this measurement is determined by reference to the ranking of Kerry's TSR over the three-year performance period, in comparison with the TSR performance of the companies in the peer group. The awards vest in line with the following table:

Position of Kerry in the Peer Group	Percentage of the Award Which Vests
Below median	0%
Median	30%
Between median and 75th percentile	Straight line between 30% and 100%
Greater than 75th percentile	100%

The performance graph below shows Kerry's TSR compared to the peer companies over the three-year performance period from 1 January 2019 to 31 December 2021 for the LTIP awards which issued in 2019. These awards have a vesting date on or before 30 April 2022.

3 Year TSR: Kerry and Comparator 1 January 2019 - 31 December 2021

See chart on page 148, which illustrates the Group's TSR performance from 2011 to 2021



Vesting Level for TSR Metric

The outcome of the measurement of the TSR condition in relation to the 2019 awards is in the 2nd quartile, resulting in an award outcome of 16% out of a possible maximum of 30%.

ROACE Performance Test

20% of the award vests according to the Group's ROACE over the performance period. ROACE represents a good perspective on the Group's internal rate of return and financial added value for shareholders. ROACE supports the strategic focus on growth and margins through ensuring cash is reinvested to generate appropriate returns. This measurement is determined by reference to the ROACE in each of the three financial years included in the performance period:

	Return on Average Capital Employed	Percentage of the Award Which Vests
Threshold	10%	25%
Target	12%	50%
Maximum	14%	100%

Below 10% none of the award vests. Vesting between target points is on a straight line basis.

Vesting Level for ROACE Metric

The outcome of the measurement of the ROACE condition in relation to the 2019 award is a ROACE of 10.5% resulting in a reward outcome of 6% out of a maximum of 20%.

Table 3: Overall Outcome of the 2019 LTIP Award Vesting in 2022

LTIP Metric*	Weighting %	Actual Vesting %
EPS	50%	0%
TSR	30%	16%
ROACE	20%	6%
		22%

* See TSR, EPS and ROACE tables above for details of performance metrics.

Summary of outstanding LTIP awards

The following table shows the Executive Directors' and Company Secretary's interests under the LTIP. Conditional awards at 1 January 2021 relate to awards made in 2018, 2019 and 2020 which have a three-year performance period. The 2018 awards vested in 2021. The 2019 and 2020 awards will potentially vest in 2022 and 2023 respectively. The market price of the shares on the date of each award is disclosed in note 28 to the financial statements.

Executive Directors' and Company Secretary's Interests in Long-Term Incentive Plan

Table 4: Individual Interest in LTIP (Audited)

LTIP Vesting and Conditional Awards

	LTIP Scheme	Conditional Awards at 1 January 2021	Share Awards Vested During the Year	Share Option Awards Vested During the Year	Share/Option Awards Lapsed During the Year	Conditional Awards Made During the Year	Conditional Awards at 31 December 2021	Share Price at Date of Conditional Award Made During the Year
Directors								
Edmond Scanlon	2013	80,916	_	(8,328)	(17,297)	28,270	83,561	€107.80
Marguerite Larkin	2013	32,714	_	(2,285)	(4,746)	15,734	41,417	€107.80
Gerry Behan	2013	50,615	(5,820)	_	(12,089)	17,090	49,796	€107.80
Company Secretary								
Ronan Deasy	2013	12,119	_	(1,512)	(1,783)	2,948	11,772	€107.80

Conditional LTIP awards made on 04 May 2021, under the new 2021 LTIP Plan, have a three-year performance period and will potentially vest in March 2024. Under the new plan, 100% of the shares/share options which potentially vest under the LTIP are issued to participants following a two-year deferral period in March 2026.

For awards made prior to 2021, 50% of the shares/share options which potentially vest under the LTIP, are issued immediately upon vesting with the remaining 50% of the award issued to participants following a two-year deferral period.

The following table shows the share options which are held by the Executive Directors and the Company Secretary under the STIP and LTIP:

Table 5: Share Options Held Under the STIP and LTIP (Audited)

	Share Options Outstanding at 1 January 2021	Share Options Exercised During the Year	Share Options Vested During the Year1	Share Options Outstanding at 31 December 2021	Exercise Price Per Share
Directors					
Edmond Scanlon[1]	30,355	–	**8,328**	**38,683**	**€0.125**
Marguerite Larkin[1]	2,256	–	**2,285**	**4,541**	**€0.125**
Company Secretary					
Ronan Deasy	3,547	**(2,104)**	**1,512**	**2,955**	**€0.125**

Note 1: Share Options which vested in March 2021 related to 2018 LTIP awards. 50% of share options vested under the LTIP are subject to a two-year deferral period and 25% of the STIP payments which are delivered in share options are subject to a two-year deferral period.

Once vested, share options under the LTIP can be exercised for up to seven years before they lapse. For share options subject to the two-year deferral period, they can be exercised for up to five years following the end of the two-year deferral period, before they lapse i.e. seven years following the vest date.

Executive Directors' Pensions

The pension benefits under defined benefit pension plans for Gerry Behan during the year are outlined in the following table.

Table 6: Defined Benefit – Pensions Individual Summary (Audited)

	Accrued Benefits on Leaving Service at End of Year		
	Increase During the Year (Excluding Inflation) $'000	Accumulated Total at End of Year $'000	Transfer Value of Increase in Accumulated Accrued Benefits $'000
Gerry Behan			
2021	**17**	**599**	**229**
2020	31	583	451

Note: The table shows the Executive Director's pension in the currency of payment to ensure clarity in reflecting the year on year payment comparisons.

Note: Contributions were made to an Irish defined contribution plan in respect of Edmond Scanlon. Marguerite Larkin receives a taxable cash payment in lieu of pension benefits. These contributions are reflected in the single figure table (table 1) on page 137.

Payments to Former Directors

No payments were made to former Directors during 2021 (2020: €nil) in respect of their duties as Directors. Vested 2016 LTIP awards and vested 2018 STIP awards, which were subject to a two-year deferral period and delivered in 2021 in respect of former Executive Directors, were disclosed in previous annual reports when earned and therefore are not disclosed separately.

Payment for Loss of Office

There were no payments for loss of office in 2021 (2020: €nil).

Non-Executive Director Remuneration

Table 7: Remuneration paid to non-Executive Directors in 2021 (Audited)

	Fees 2021 €	Fees 2020[1] €
Hugh Brady	**114,000**	91,875
Gerard Culligan	**84,000**	73,125
Karin Dorrepaal	**104,000**	91,875
Joan Garahy [2]	**44,667**	120,000
Emer Gilvarry [3]	**99,833**	14,666
James C. Kenny	-	39,000
Michael Kerr [4]	**77,667**	-
Tom Moran	**126,000**	103,125
Con Murphy	**84,000**	73,125
Christopher Rogers	**119,000**	102,037
Philip Toomey	**385,000**	335,156
Jinlong Wang [5]	**119,790**	-
	1,357,957	1,043,984

Note 1: During 2020, as a solidarity gesture in light of COVID-19 and those impacted, the Chairman and the non-Executive Directors volunteered a 25% reduction in their fees for a three-month period.
Note 2: Joan Garahy retired from the Board on 29 April 2021
Note 3: Emer Gilvarry was appointed to the Board on 1 November 2020.
Note 4: Michael Kerr was appointed to the Board on 3 May 2021.
Note 5: Jinlong Wang was appointed to the Board on 5 January 2021.

Non-Executive Directors are reimbursed for travel and accommodation expenses and any personal tax that may be due on those expenses. The gross amount of these expenses that were deemed to be taxable is €15,515.

Directors' and Company Secretary's Interests

There have been no contracts or arrangements with the Company or any subsidiary during the year, in which a Director of the Company was materially interested and which were significant in relation to the Group's business. The interests of the Directors and the Company Secretary of the Company and their spouses and minor children in the share capital of the Company, all of which were beneficial unless otherwise indicated, are shown overleaf:

Table 8: Directors and Company Secretary Shareholdings

	31 December 2021 Ordinary Shares Number	31 December 2021 Share Options Number	31 December 2021 Total Number	31 December 2020 Ordinary Shares Number	31 December 2020 Share Options Number	31 December 2020 Total Number
Directors						
Gerry Behan	**61,346**	–	**61,346**	55,581	–	55,581
- Deferred[1]	**11,405**	–	**11,405**	16,071	–	16,071
Hugh Brady	**1,700**	–	**1,700**	–	–	–
Gerard Culligan	–	–	–	–	–	–
Karin Dorrepaal	–	–	–	–	–	–
Joan Garahy[2]	**1,050**	–	**1,050**	1,050	–	1,050
Emer Gilvarry	**850**	–	**850**	–	–	–
Michael Kerr[3]	**10,000**	–	**10,000**	–	–	–
Marguerite Larkin	**1,500**	**1,838**	**3,338**	1,500	–	1,500
- Deferred[1]	–	**2,703**	**2,703**	–	2,256	2,256
Tom Moran	**539**	–	**539**	539	–	539
Con Murphy	**7,728**	–	**7,728**	7,721	–	7,721
Christopher Rogers	**640**	–	**640**	640	–	640
Edmond Scanlon	**19,611**	**25,749**	**45,360**	9,611	17,199	26,810
- Deferred[1]	–	**12,934**	**12,934**	–	13,156	13,156
Philip Toomey	**9,000**	–	**9,000**	6,000	–	6,000
Jinlong Wang[4]	–	–	–	–	–	–
Company Secretary						
Ronan Deasy	**3,230**	**1,093**	**4,323**	3,230	1,106	4,336
- Deferred[1]	–	**1,862**	**1,862**	–	2,441	2,441

Note 1: The deferred shares and share options above, relate to 25% of the awarded amount of the Executive Directors 2019 STIP award and 50% of the 2017 and 2018 LTIP award (vested in March 2020 and 2021 respectively). These awards are subject to a two-year deferral period and will be delivered in shares/share options in March 2022 and March 2023 respectively.
Note 2: Shareholding for Joan Garahy when she left the group in April 2021.
Note 3: Michael Kerr joined the board 3 May 2021
Note 4: Jinlong Wang joined the Board on 5 January 2021

Shareholding Guidelines

The table below sets out the Executive Directors' shareholding at 31 December 2021 shown as a multiple of basic salary. Refer to the Remuneration Policy Table on page 130 in Section C for details of the Executive Director shareholding requirements.

Table 9: Individual Shareholding as a Multiple of Basic Salary

Executive Director	As a Multiple of Basic Salary[1]
Edmond Scanlon	**5.4x**
Marguerite Larkin[2]	**0.9x**
Gerry Behan	**9.9x**

Note 1: The share price used to calculate the above is the share price as at 31 December 2021 and the shareholding is based on all shares held and vested option awards (including deferred) reflected in table 8 above.
Note 2: Marguerite Larkin, in line with the proposed new policy, has to increase her shareholding to at least the minimum 2.5x basic salary through the retention of 50% of vested annual bonus and LTIP shares/options (after sales to meet taxes).

TSR Performance and Chief Executive Officer Remuneration

The graph below illustrates the TSR performance of the Group over the past ten years showing the increase in value of €100 invested in Group's shares from 31 December 2011 to 31 December 2021. Also outlined in the table on page 149, the remuneration of the Chief Executive Officer is calculated in line with the methodology captured under legislation which was enacted for UK incorporated companies.

10 Year Total Shareholder Return (Value of €100 Invested on 31/12/2011)

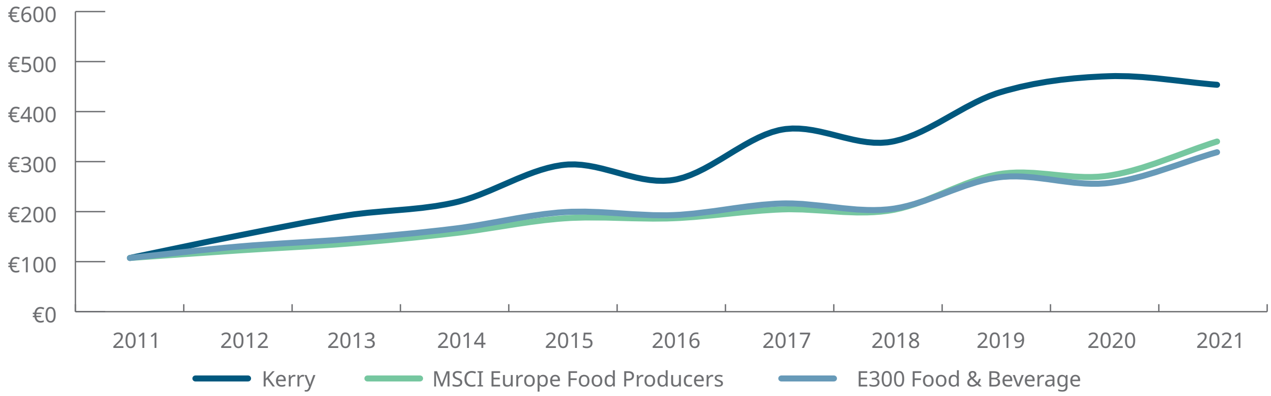


Table 10: Remuneration Paid to the CEO 2012 – 2021

The Committee believes that the Policy and the supporting reward structure provide a clear alignment with the strategic objectives and performance of the Group. To maintain this relationship, the Committee regularly reviews the business priorities and the environment in which the Group operates. The table below shows the Group CEO's total remuneration over the last 10 years and the achieved annual variable and long-term incentive pay awards as a percentage of the plan maximum.

	Total remuneration €'000	Annual incentive achieved as a % of maximum	LTIP achieved as a % of maximum
CEO – Stan McCarthy			
2012	3,538	74%	100%
2013	3,592	70%	100%
2014	3,283	57%	91.9%
2015	4,161	58%	61.8%
2016	3,625	62%	29.4%
2017	5,285	75%	62.3%
CEO – Edmond Scanlon			
2017[1]	808	75%	62.3%
2018	2,577	60%	63.7%
2019	3,991	76%	62.8%
2020	2,323	0%	32.5%
2021	3,855	72%	21.8%

Note 1: Edmond Scanlon was appointed CEO and to the Board on 1 October 2017 and his remuneration reflected in the table above relates to remuneration from that date.

Table 11: Annual change in pay for Directors and all Employees

In line with the implementation of Articles 9a and 9b of European Directive 2017/828/EC1 (commonly known as the Revised Shareholder Rights Directive or SRDII) into the Irish Companies Act 2014, the table below shows the percentage change in each Director's total remuneration and the global average total remuneration of an employee from the year ended 31 December 2020 to the year ended 31 December 2021.

Year-on-year change in pay for Directors compared to the global average employee				
Executive Directors[1]	**2021 €**	**2020 €**	**YoY Change %**	**2019 €**
Edmond Scanlon	**3,855,000**	2,323,000	66%	3,991,000
Marguerite Larkin	**2,206,000**	1,115,000	98%	1,558,000
Gerry Behan	**2,534,000**	1,762,000	44%	3,329,000
Non-Executive Directors[2]				
Hugh Brady	**114,000**	91,875	24%	98,000
Gerard Culligan	**84,000**	73,125	15%	78,000
Karin Dorrepaal	**104,000**	91,875	13%	98,000
Joan Garahy*	**44,667**	120,000	(63%)	128,000
Emer Gilvarry*	**99,833**	14,666	581%	-
Michael Kerr*	**77,667**	-		100%
Tom Moran	**126,000**	103,125	22%	105,000
Con Murphy	**84,000**	73,125	15%	78,000
Christopher Rogers	**119,000**	102,037	17%	103,000
Philip Toomey	**385,000**	335,156	15%	357,500
Jinlong Wang*	**119,790**	-		100%
All Group Employees[3]	**47,434**	**46,389**	**2.3%**	**45,824**
TSR Performance[4]			**-3.7%**	

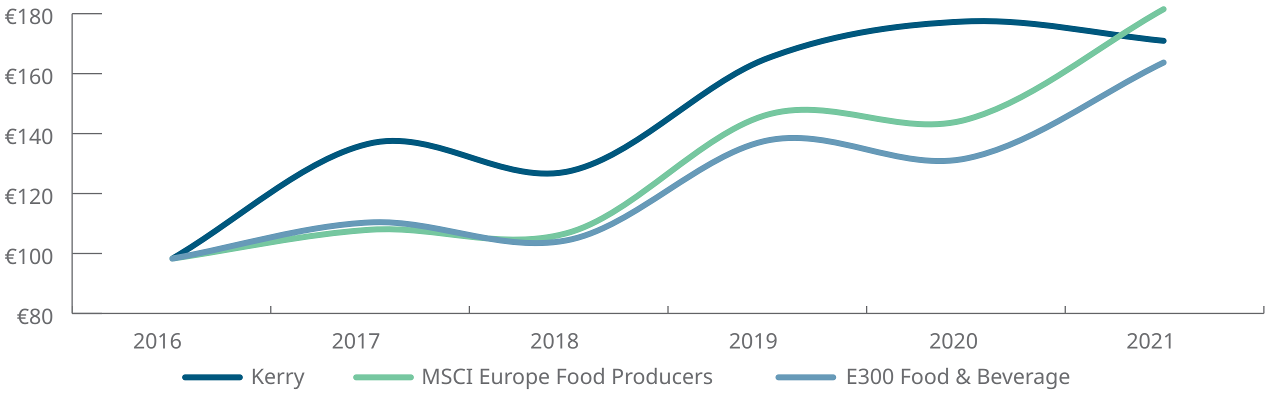
Note 1: In 2020 the Executive Directors volunteered a 25% reduction in their basic fees for a three-month period, received no STIP payment and a low LTIP award due to the impact of COVID-19. These are the main reasons for the year on year % change reflected above.

Note 2: From 1 January 2021, the non-Executive Directors fees were increased for the first time in 3 years in line with the Remuneration Policy approved at the 2021 AGM. This, together with the 25% voluntary reduction in their basic fees for a three-month period in 2020, are the main reasons for the year on year % change reflected above. In addition a number of new non-Executive Directors joined the Board and one non-Executive Director retired (marked with an asterix above). Their fees are reflective of their period of office.

Note 3: Calculated by dividing the aggregate payroll costs of employees in 2021 (excluding social welfare costs and costs related to Executive Directors) by the average number of employees in 2021, as disclosed in note 4 to the consolidated financial statements.

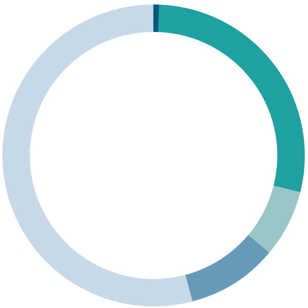
Note 4: TSR performance for the period from 31 December 2020 to 31 December 2021.

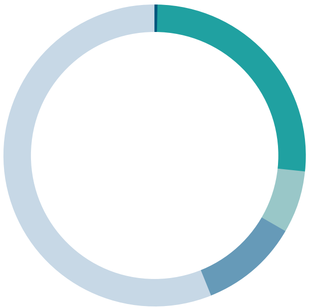
Performance of the Company: 5 Year Total Shareholder Return



Relative Importance of Spend on Pay

The total amount spent on Executive Director remuneration (including Long-Term Incentive Plan) and overall employee pay is outlined below in relation to retained profit, dividends paid and taxation paid.





Dilution

The Group offers Executive Directors and senior management the opportunity to participate in share-based schemes as part of the Group's Remuneration Policy. In line with best practice guidelines, the Company ensures that the level of share awards granted under all share schemes does not exceed 10% of the Group's share capital over a rolling ten year period, with a further limitation of 5% in any ten-year period in respect of discretionary schemes. The dilution resulting from all vested share awards/share options for the ten-year period to 31 December 2021 is 1%. This level of dilution is well below the maximum dilution level recommended for executive share-based incentive plans.

The potential future dilution level from unvested share awards/share options as a result of these schemes is a further 0.7%.

Table 12: CEO Ratio

The UK Companies (Miscellaneous Reporting) Regulations 2018 require certain UK incorporated companies to publish the ratio of CEO remuneration to UK staff pay. Although not a requirement for Irish incorporated companies, the ratio of the CEO's total remuneration to that of the median Irish employee is disclosed in the table below, in line with the Group's commitment to ensure that its remuneration policies, practices and reporting reflect best corporate governance practices.

In providing the CEO ratio we have used Method C as set out in the regulations but have applied the principles of Method A.

	2021	2020
Chief Executive Officer's: Total remuneration	**€3,855,000**	€2,323,000
Median Irish employee: Total remuneration	**€43,260**	€42,137
Median Irish employee: Salary only	**€40,645**	€39,654
Median pay ratio – Total remuneration	**89x**	55x
Median pay ratio – excluding all variable short and long-term incentive	**37x**	33x

The Committee believes that our senior executives should have a significant proportion of their pay directly linked to Group performance in order to drive alignment with shareholders. A significant portion of the Chief Executive Officer's remuneration is therefore delivered through the Group's short-term and long-term incentive plans where awards are linked to Group performance and share price movements over time. This means that ratios will depend significantly on short-term and long-term incentive outturns and may fluctuate from year to year as a result.

The CEO pay ratio based on total remuneration has increased year on year. Performance outturns under both the short-term and long-term incentive plans in 2020 were low with no STIP payout and only a 32.5% outturn for LTIP. In addition, the CEO took a 25% voluntary reduction in basic salary for three months in 2020, in light of the COVID-19 pandemic. In 2021, as reported in previous sections, there was a good performance against STIP targets resulting in a 72% payout of maximum opportunity. The LTIP award for the three-year period ended 31 December 2021 had a vesting outturn of 22% of maximum which is lower than last year's level of 32.5%. As a result, the total remuneration for the Chief Executive Officer has increased in 2021 as compared to 2020.

The remuneration earned by the median Irish employee has also increased year on year due to annual pay increases. As the median Irish employee does not participate in the Group's short-term or long-term performance related incentive plans, the Committee has provided the median pay ratio excluding these variable pay elements again in 2021 and this ratio has also increased year on year.

Statement on Shareholder Voting

Below is an overview of the voting which took place at the most recent AGM to approve the Directors' Remuneration Policy and the Directors Remuneration Report.

Table 13: Votes on Remuneration

Total Votes Cast	Votes For	Votes Against	Votes Withheld/Abstained
Directors' Remuneration Policy (2021 AGM)			
108,924,838	105,041,472	3,883,366	1,242,809
	96.4%	3.6%	
Directors' Remuneration Report (2021 AGM)			
109,313,536	108,385,726	927,810	854,111
	99.2%	0.8%	

The Committee appreciates the level of support shown by the shareholders for the Remuneration Policy and Report and is committed to continued consultation with shareholders with regard to the remuneration policy.