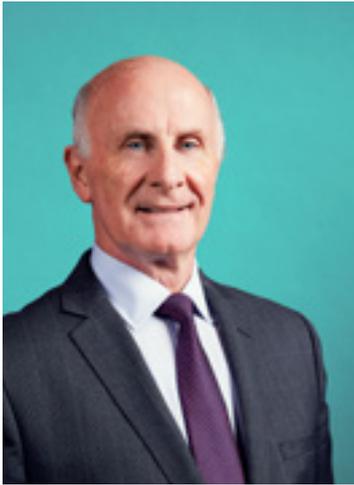


DIRECTORS' REPORT
GOVERNANCE REPORT
NOMINATION COMMITTEE REPORT



Philip Toomey
Chairman of the
Nomination Committee

Dear Shareholder,

On behalf of the Nomination Committee, I am pleased to present our report for the year ended 31 December 2019.

This report sets out the Committee's key activities in 2019 as well as the Committee's priorities for 2020.

The Nomination Committee is responsible for evaluating the structure, size, composition and successional needs of the Board and its Committees and making recommendations on same, with due regard for Board diversity. Additionally, the Committee is responsible for the review of the results of the annual Board evaluation process as it relates to the Board and Committee performance and composition.

During the year under review, the Committee continued to lead the Board refreshment process ensuring that the composition of the Board and its Committees has the correct balance of skills, knowledge, experience, diversity and independence, and that a pipeline of appropriate talent has been identified. The Committee engaged with independent external search consultants to identify an appropriate pipeline of new independent non-Executive Directors.

The Committee also reviewed senior management development and succession plans whilst having regard to diversity below Board level and taking account of business growth and geographic expansion.

During 2019, the Committee reviewed the Company's corporate governance policy and processes in the context of the 2018 UK Corporate Governance Code (the new Code) and implemented appropriate changes. These changes included appointing a designated workforce engagement Director and

ensuring that an orderly succession for senior management, having regard to diversity targets, exists. The Committee also considered changes implemented by the Board and other Committees to comply with the requirements of the new Code.

An external review of the effectiveness of the Board and its Committees was facilitated by Independent Audit Limited during 2019 and the outcome of this review is that the Board and its Committees consider that they are operating effectively.

The Committee's priorities for the coming year will focus on Board refreshment taking account of all skill sets required, diversity and planned retirements over the coming years, as well as ensuring that senior management development and succession planning can support the delivery of Group strategy. The Committee will also continue to focus on diversity and inclusion in the wider workforce.

A handwritten signature in black ink, appearing to read 'Philip Toomey', written over a light blue horizontal line.

Philip Toomey
Chairman of the Nomination Committee

Role and Responsibilities

The main roles and responsibilities of the Committee, which were reviewed during 2019, are set out in written terms of reference which are available from the Group's website www.kerrygroup.com or upon request.

The key responsibilities outlined in the terms of reference are included in the following table:

Primary Responsibilities of the Nomination Committee
<ul style="list-style-type: none"> - Evaluating the balance of skills, experience, independence, knowledge and diversity of the Board to ensure optimum size and composition; - Ensuring an appropriate nomination process is in place for Board appointments; - Ensuring a formal induction plan is in place for each new Director on appointment; - Reviewing a candidate's other commitments to ensure that on appointment, a candidate has sufficient time to undertake the role; - Reviewing the Board diversity policy; - Making recommendations to the Board on the appointment and re-appointment of both Executive and non-Executive Directors; - Making recommendations to the Board concerning membership of Board Committees in consultation with the Chairs of the Committees; - Ensuring plans and processes are in place for succession planning for Directors, including the Chairman, Senior Independent Director, non-Executive Directors and senior management positions; and - Overseeing the conduct of the annual evaluation of the Board and its Committees.

The Chairman of the Board or an independent non-Executive Director of the Company acts as the Chairman of the Committee. The Chairman of the Board does not chair the Committee when it is dealing with the matter of succession to the Chairmanship.

Committee Membership

During 2019, the Nomination Committee comprised three independent non-Executive Directors; Dr. Hugh Brady, Dr. Karin Dorrepaal, Mr. James C. Kenny and was chaired by Mr. Philip Toomey.

The Board ensures that the membership of the Nomination Committee is refreshed in accordance with the Group's Corporate Governance Policy. The quorum for Committee meetings is two and only Committee members are entitled to attend. The Nomination Committee may extend an invitation to other persons to attend meetings or to be present for particular agenda items as required. The Company Secretary acts as Secretary of the Committee.

During 2019, the Committee continued to work with Spencer Stuart, an international specialist recruitment firm, to assist with Board refreshment. Spencer Stuart has no other connection to the Group.

Committee Meetings

The Committee met four times during the year and attendance at these meetings is outlined on page 104.

Nomination Process

There is a formal, rigorous and transparent procedure determining the nomination for appointment of new Directors to the Board. Candidates are identified and selected on merit against objective criteria and with due regard to the benefits of diversity on the Board. The Committee engages specialist recruitment consultants to assist in the identification and selection process. The Committee makes recommendations to the Board concerning appointments of Executive or non-Executive Directors, having considered the blend of skills, experience, independence and diversity deemed appropriate and reflecting the global nature of the Group.

The Nomination Committee also makes recommendations to the Board concerning the re-appointment of any non-Executive Director at the conclusion of their specified term and the re-election of all Directors who are the subject of annual rotation. The terms and conditions of appointment of non-Executive Directors are set out in formal letters of appointment, which are available for inspection at the Company's registered office during normal office hours and at the AGM of the Company.

The key stages in the nomination process are outlined in the following diagram:



Board Refreshment Policy

On an ongoing basis, the Nomination Committee reviews and assesses the structure, size, composition, diversity and overall balance of the Board and makes recommendations to the Board with regard to refreshment.

Appointments to the Board are for a three year period, subject to shareholder approval and annual re-election, after consideration of annual performance evaluation and statutory provisions relating to the removal of a Director. The Board may appoint such Directors for a further term not exceeding three years and may consider an additional term if deemed appropriate.

During the year, the Chairman conducted a rigorous review of all other non-Executive Directors as part of the Board evaluation process, taking into account the need for progressive refreshment of the Board. The Board explains to shareholders, in the papers accompanying the resolutions to elect and re-elect the non-Executive Directors, why it believes the individual should be re-elected based on the results of the formal performance evaluation.

Succession Planning

The Nomination Committee reviews the succession plans for the Board and its Committees on an ongoing basis to ensure an orderly refreshment of membership, taking into account Group strategy, the challenges and opportunities facing the Group and the skills, knowledge and experience required.

The Committee also reviews succession plans for senior management, which form part of the Group's overall annual approach to succession planning and agrees these with the Chief Executive Officer before being presented to the Board. The succession planning process includes defining success criteria for key roles, identifying and evaluating candidate pools and aligning development activities with individual and business needs to ensure leadership continuity and improve the depth of the leadership succession pipeline. This process is fully documented and monitored throughout the year in conjunction with the Committee.

Diversity Policy

Diversity is fully embraced at Kerry and the Group is committed to having a work environment that is respectful of everyone. In order to achieve a positive and productive workplace, all employees must work together and realise each individual has something unique to contribute to the overall success of Kerry.

The Group's Diversity, Inclusion and Belonging Policy is an integral part of the Group Code of Conduct ensuring that diversity and inclusion are embedded in Kerry Group's core Values. Within this, the Group seeks to recruit, hire and retain the best talent from a diverse mix of gender, background, nationality, ethnicity and other attributes with the skills and experiences to drive innovative thinking to enable a sustained competitive advantage.

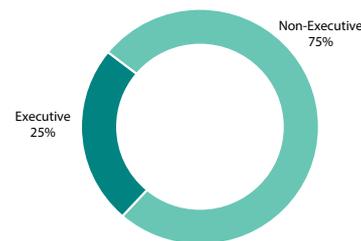
The Board believes in the benefits of having a diverse Board and the value that it can bring to its effective operation. In accordance with the Board Diversity Policy, differences in background, gender, skills, experiences,

nationality, ethnicity and other attributes are considered in determining the optimum composition of the Board with the aim to balance it appropriately. All Board appointments are made on merit, with due regard to diversity. The Board currently has a 25% female representation. In line with its diversity policy, and recommended best practice, the Board's ambition is to increase this number further. The Board also has an ambition to increase the representation of members with diverse factors such as nationality, ethnicity and other attributes. In reviewing Board composition and agreeing a job specification for new non-Executive Director appointments, the Committee considers the benefits of all aspects of diversity including, but not limited to, those described above, in order to complement the range and balance of skills, knowledge and experience on the Board. As part of the identification process external search consultants are required to present a list of potential candidates, who meet the stated specification and requirements comprising candidates of diverse backgrounds, for consideration by the Committee.

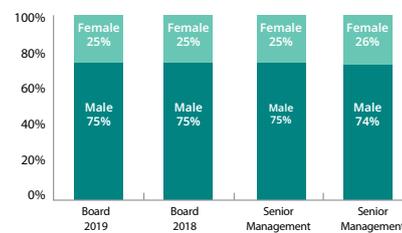
During 2019, diversity targets for the senior management succession pipeline were agreed with the Executive Directors and approved by the Board to ensure the leadership teams and internal talent pipelines better reflect the broader mix of people within the Group. Further details of the Group Diversity, Inclusion and Belonging Policy, and the activities undertaken on diversity and inclusion are outlined in Our People on page 20.

A summary of the Group's current position relating to Board and senior management diversity is provided below:

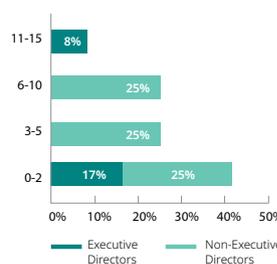
Executive / Non-Executive Directors



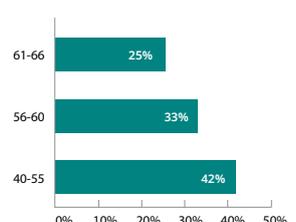
Diversity



Board Tenure (Years)



Board Age Profile



Key Activities

The key activities of the Committee throughout the year are detailed below:

Subject	Committee Activity
Board Refreshment	<p>There were no changes to the Board during the year. The Committee continues to consider Board refreshment and build a succession pipeline taking account of all skill sets required, diversity and planned retirements over the coming years.</p> <p>The Committee engaged with independent external search consultants Spencer Stuart to assist and advise on the strategy for Board succession and refreshment in the future.</p>
Committee Refreshment	<p>There were no changes to the composition of the Board Committees during the year. The Committee will continue to consider Committee refreshment over the coming years.</p>
Board Size and Composition	<p>In 2019, as part of its remit, the Committee considered the size and composition of the Board. At 31 December 2019, the Board comprised 12 members. The Committee will continue to consider both Board size and composition during 2020.</p>
Re-appointment of Chairman	<p>During the year, Mr. Philip Toomey completed his current term as non-Executive Director and Chairman. After detailed consideration, including a review of his performance and tenure, the Board, upon the recommendation of the Committee agreed that he should serve an additional term.</p>
Re-appointment of non-Executive Directors	<p>During the year, Mr. James Kenny and Ms. Joan Garahy each completed their current terms as non-Executive Directors. After detailed consideration, including a review of their performance and independence, the Board, upon the recommendation of the Committee, agreed that they should serve additional terms.</p>
Re-election of Directors	<p>The Committee recommended that all Directors, subject to and seeking re-election, be put forward for re-election at the Group's next AGM.</p>
Board and Committees Effectiveness Evaluation	<p>As outlined in detail on page 105, an external evaluation of the Board and its Committees took place in 2019. The Committee agreed the terms of reference for the evaluation of the Board and its Committees.</p> <p>This process was externally facilitated by Independent Audit. The evaluation was carried out based on interviews held between Independent Audit and the Chair, Board members, the Company Secretary and other senior executives. Independent Audit observed the October Board meeting, the November Audit Committee meeting and reviewed Board and Committee papers. A thorough discussion followed a presentation of the findings made to the Board by Independent Audit at the December Board meeting.</p> <p>The Committee considered the outcome of this review. Each recommendation was assessed and an action plan was developed to address areas for potential improvement.</p> <p>These recommendations will form part of the agenda for Committee meetings in the coming year. The conclusion from the evaluation process is that the Board and its Committees, have operated effectively during the period under review.</p>
Senior Management Development and Succession	<p>During the year, the Committee reviewed senior management development and succession plans having regard to agreed diversity targets to ensure the appropriate level of skills and diversity will exist to support the delivery of the Group's strategy.</p>
Corporate Governance Review	<p>During 2019, the Committee reviewed the Company's corporate governance policy in the context of the 2018 UK Corporate Governance Code, with particular reference to new guidance in respect of Board and management diversity, director independence, Purpose, assessing and monitoring culture and effective engagement with stakeholders including the workforce. On the recommendation of the Committee, Mr. Tom Moran was appointed designated workforce engagement Director.</p>
Terms of Reference	<p>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.</p>