

# Globally connected and winning locally

## Our Culture

At Kerry, our people are the winning ingredient in our business. We leverage our diverse, entrepreneurial and results focused culture, talents and expertise to innovate and lead to better food, in a better way for a better future for our customers, our shareholders, our people, our communities and our environment.

Every day, our 26,000+ people access our global expertise and taste and nutrition capabilities to develop innovative food and beverage solutions that offer new growth opportunities for our customers. We represent more than 120 nationalities with operations across more than 150 locations; we are committed to fostering a great place to work, where our people can be at their best and are able to contribute fully to our shared success.

We strive for excellence in the delivery of our core business capabilities and differentiate ourselves as an organisation through our people. We think and act with a Safety First, Quality Always mindset and focus on enabling our people to make it easier and more valuable for our customers to do business with Kerry. We set ourselves the highest standards of business and ethical behaviour.

Our groupwide approach to people leadership is about nurturing a positive environment where all our people are inspired to develop themselves, to learn together and to grow our business; winning for our customers and for Kerry.

Our Purpose to Inspire Food and Nourish Life underpins all our people practices including our commitment to delivering for our communities, globally and locally through charitable initiatives. Our people are actively encouraged, recognised and rewarded for bringing our Purpose to life and for demonstrating our core Values within Kerry.





## Our Values

The Kerry Way is our organisation's framework for guiding our decisions and actions, individually and collectively, towards current business priorities, our long term aspirations and our shared goal: To make it easier and more valuable for our customers to do business with us.

The Kerry Way framework was developed through a collaborative process with inputs from our people and seeks to ensure our people feel inspired and connected – to each other, the organisation, and to the impact we have on the world. The Kerry Way framework clarifies who we are; what we do, how we do it, why we matter and where we are going and is fully aligned with our strategic growth priorities.

Our Values are embedded within The Kerry Way framework and were refreshed during 2019 to reflect both the heritage we are proud of, and our ambitions for the future.

Our refreshed Values were approved by the Board in 2019 and the Executive Team are taking a leading role in ensuring our Values are firmly embedded across the Group.



## Fostering Diversity, Inclusion and Belonging

80+

Kerry hosted a Masterclass for over 80 companies within the Irish food and drink industry at our Global Technology & Innovation Centre, in Naas, Ireland

40

In North America through our partnership with Women Foodservices Forum, 40 colleagues participated in the Annual Leadership Development Conference in Dallas

10

Kerry Volunteers attended the Special Olympics World Games in Abu Dhabi

As a global business, we appreciate and value our dynamic mix of people who bring new perspectives, experiences and thought leadership to enable our organisation to continuously grow and innovate for our customers. We are committed to creating a positive and inclusive work environment where everyone can be at their best, contribute to our success and excel personally and professionally.

Whilst diversity continues to be a focus, particularly increasing our gender and cultural diversity in leadership roles, creating a culture of inclusion and belonging is equally important for us. We want to ensure all our people's ideas are heard and discussed to strengthen our approach. Our refreshed diversity, inclusion and belonging strategy, informed by inputs from our people as well as external best practice, is fully aligned with business and talent objectives. We focus on raising awareness of this important priority through continued education and training, we promote greater diversity in our leadership profile, we foster a more inclusive workplace and we build and strengthen partnerships within our communities.

One of the highlights from 2019 has been the establishment of employee-led Diversity, Inclusion & Belonging Committees in many locations. These committees actively raise awareness of this important agenda, educate and inspire our people to work together to promote global and local events that foster a more positive and inclusive work environment for all.

Externally, we continue to strengthen core strategic partnerships both within Ireland and globally. In North America through our partnership with Women Foodservices Forum, 40 colleagues participated in the Annual Leadership Development Conference in Dallas, focused on advancing women leaders and driving gender equity in business. Through our membership of the Irish Chapter of the 30% club and the Agri-Food Diversity & Inclusion Forum led by Bord Bia, Kerry hosted a Masterclass for over 80 companies within the Irish food and drink industry at our Global Technology & Innovation Centre in Naas, Ireland, with the aim of sharing thought leadership and innovative practices for attracting, developing and retaining the diverse talent we all need to continue to grow and innovate to secure the future of our industry.

We continue to sponsor volunteer programmes, with the aim of fostering a culture of inclusion both within Kerry and in our communities. We are particularly proud of our partnership with Special Olympics, launched during 2018 in the UK, Ireland, The Netherlands and Poland, which we have committed to extend to 2020. This programme provides opportunities to children and adults with intellectual disabilities to participate all year round in sporting activities and in 2019, a number of selected Kerry volunteers had the unique opportunity to participate in the World Games in Abu Dhabi, supporting athletes and families from all over the world.

Finally, continuing our journey to increase gender and cultural diversity in leadership roles, we have agreed a set of measures with our Executives, endorsed by our Board to ensure our leadership teams and internal talent pipelines better reflect the broader mix of capabilities and cultural diversity we have within our organisation. This will be further developed in 2020 and incorporated in our Sustainability 2030 Plan.



## Growing together, Winning together: our Employee Experience

We have a highly engaged and passionate workforce across Kerry Group that wants to be part of making Kerry a better and more successful business for the future. In 2019, we reviewed our approach to employee engagement, partnering with one of the world's leading experts on leadership, culture and employee engagement to develop a more comprehensive engagement strategy. Our overall aim is to develop our leaders' capability to actively champion feedback and engage with their teams, assess and monitor the level of employee engagement and our employees' experience in Kerry as a leading indicator of and contributor to business performance and ensure that Kerry continues to be a great place to work, thrive and succeed.

During 2019, 85% of our people participated in our second groupwide engagement survey to identify areas of strength and areas for continuous improvement within our business. Customer focus, alignment of employee and organisational goals and our Safety First, Quality Always mindset continued to be clear areas of strength. Through a series of follow-up conversations with our people we identified three global engagement priorities for improvement: leadership development, organisational effectiveness, and creating an environment where everyone can fulfil their career aspirations and be at their best. Throughout 2019 we have been focusing on these priorities through a few significant groupwide initiatives, with other initiatives being developed for launch and impact in 2020, as follows:

- **Strengthening people leader capabilities to grow and lead our business for the future.** Having rearticulated the role of the people leader at Kerry towards the end of 2018, resulting in a new framework and set of objectives for all people leaders, reinforced through our performance management process, we launched a series of leadership summits and workshops across the Group in 2019. To date, over 50% of our people leaders have participated in learning experiences to understand how to nurture talent as a catalyst for growth, to help our people develop meaningful careers with Kerry and to build sustainable, effective and diverse teams that deliver exceptional results.

In addition, we sought to further clarify expectations for all leaders within Kerry during 2019. Following workshops held with over 70 senior leaders, covering 14 nationalities, across all parts of our business, we agreed a core set of Leadership Competencies, which describe the skills and behaviours expected for successful execution of our strategy now and in the future. These competencies will set common standards for leadership at Kerry and will be actively reinforced through all our key people processes.

- **Aligning to improve organisational effectiveness.** To enable our employees to make it easier and more valuable for our customers to do business with us, 2019 has seen us focus on further refining our operating model – how we better service our customers and continue to be the world's leading Taste & Nutrition company. As a consumer-led customer-centric organisation, we have structured our business to be close to the market and consumer with our applications and sales teams based in local markets. Internally we have streamlined our processes, and connected our global capabilities, for faster and more innovative responses for the customer. Over 100 commercial leaders from across the Group have been involved in enhancing our approach and we will continue to progress this in 2020.
- **Being at our best: The Kerry Way.** Bringing to life what it means to work at Kerry, sharing our Purpose and creating an environment where everyone is connected to our ambitions in order to fulfil their own potential and deliver for our customers, we initiated a groupwide The Kerry Way employee engagement initiative to reach our 26,000+ employees. Inspired by sharing personal stories and demonstrating leadership in action, our people leaders have led structured workshops with their teams focused on understanding who we are, what we do, how we do it, where we are going and why we matter as a business throughout 2019. A key part of these workshops has been connecting our people to our Purpose and our Values and sharing our Vision for building a future for Kerry within our industry and society in general. To date 90% of employees have participated in workshops and we will reach all employees by early 2020.

During 2019, the Board appointed Mr. Tom Moran as designated workforce engagement Director. The Board approved a workforce engagement plan for the designated workforce engagement Director which includes visits to office and manufacturing locations in Ireland, UK, France, North America, Latin America and Asia. These visits will provide an insight into a range of workforce engagement activities within Kerry and opportunities to directly engage with the workforce. Typical activities will include leaders and employees bringing to life The Kerry Way, embedding our Purpose and our Values in daily activities, engaging

in two-way communication and providing feedback through Town Halls and workshops, building community partnerships through local volunteer programmes and proudly celebrating Kerry's inclusive and diverse culture through sponsored global and local activities.

We will continue to monitor progress against all our global improvement opportunities through ongoing dialogue with our leadership teams, our people and targeted pulse surveys within the business during 2020.

## Promoting safe and healthy workplaces and work practices for our people



- **Safety First, Quality Always.** The safety of our people and food safety are core priorities for Kerry, and our commitment to our people and our customers is reinforced through our 'Safety First, Quality Always' practices.

During 2019 we continued to invest in our people, our processes and infrastructure, strengthening our functional capability through technical learning and career development opportunities, and enhancing our global capabilities to improve our own global quality, safety, health and environmental standards and policies as well as to meet industry and regulatory requirements.

#Safetyfirst was the theme for 2019's Kerry Global Safety Day. It was a call to action to prevent accidents in the workplace. Workplace safety is very important to Kerry, and we all have a desire to work in a safe and protected environment. Workshops sponsored by our global executive team were held across key sites to promote and encourage collective action to ensure we create safer workplaces for all our people.

- **Code of Conduct.** Through our Kerry Code of Conduct we focus critical attention on ethical business practices and provision of a safe and healthy workplace. Our programme of employment compliance modules, covering Information Security, Intellectual Property, Anti-Fraud and Code of Conduct, is updated annually to maintain regulatory, legislative and workplace relevance, and governed by our Compliance Steering Committee with representation from across the business. This programme has been completed by over 80% of our people during the past two years and continues to be a priority area of focus for our business.

Achieving results ethically and in compliance with all relevant legislation will always be an absolute expectation at Kerry Group. We operate a zero-tolerance approach to labour abuses and support effective abolition of child and forced labour worldwide. The Group's 'Express a Concern' hotline provides a mechanism by which employees can report concerns in confidence through an externally facilitated channel.



- **Health & Wellbeing.** Personal health and wellbeing of all our people is paramount. At Kerry we appreciate the importance of having a supportive wellbeing programme in place. Our wellbeing framework has four pillars – nutritional, physical, emotional and financial. We continue to develop and embed wellbeing practices through our leadership development and employee wellbeing programmes.



## Strengthening our Talent Pipeline



At Kerry we pride ourselves in our ability to offer opportunities for all our people to grow professionally and personally. Through our 'world of opportunity' initiative, promoted throughout 2019, and our global mobility programmes, we supported over 550 moves this year, with our people relocating for assignments in all corners of the world, contributing their expertise to drive local growth for our customers and Kerry and to gain new cultural and life experiences. With an explicit focus on leveraging our global footprint to develop future leaders, we continue to encourage our early career employees, typically graduates and those with less than five years' experience, to seek out global opportunities to broaden their experiences to support their career progression. Graduates and employees with less than five years' experience represent over a quarter of all international moves in Kerry.

Kerry's renowned Graduate Development programme continues to be a core component of our strategy to strengthen our future talent pipeline, providing opportunities for graduates to work and develop across a wide range of core disciplines, enabling longer term sustainable leadership for the organisation. In 2019 we upgraded our graduate assessments to ensure Kerry remains competitive in today's graduate marketplace and have plans to enhance our global graduate offering and development solutions in 2020.

## Rewards and Recognition

Our Global Recognition Framework promotes the further growth and consistency of our regional and local recognition programmes.

In line with our aim to be the first choice for the best talent around the world, our reward programmes are locally advantageous to support both the business strategy and the diverse needs of our people as well as focused on recognising their performance, potential and business value creation.

We are committed to gender pay equality and will continue to proactively monitor the pay of male and female colleagues doing similar roles to ensure it is comparable. We appoint and promote based on merit and will continue to encourage the career development of all our people, paying attention to our promotion and recruitment practices with regards to gender, to support greater female representation at all levels.

At Kerry, 'Total Reward' is about more than just pay and financial rewards, it encompasses robust learning, career development, personal growth and worldwide opportunities in an inclusive culture where all our people can flourish.

During 2019, we carried out a Total Reward review across several countries which collectively represented approximately 80% of our global workforce. The purpose of this review was to ensure that our reward programmes continue to be positioned as one of the key levers of business performance, are appropriately aligned with the external market, and are delivered in a way which makes them more easily understood and appreciated by our employees. As part of this review, we refreshed our reward philosophy and this framework will guide us as we implement the recommendations arising from this review during 2020 and beyond.

The Remuneration Committee of the Board was kept updated on matters arising from the Total Reward review. This review allowed the Committee to consider the alignment of Executive Directors' remuneration with that of the wider workforce.

# 550+

Internal moves created  
through our 'world  
of opportunity' and  
mobility programmes