KERRY GROUP
AT A GLANCE

Delivering taste and nutrition to millions of people around the world every day

Our Mission Statement
Kerry Group will be:
- a world leader in taste and nutrition serving the food, beverage and pharmaceutical industries, and
- a leading supplier of added value brands and customer branded foods to the Irish, UK and selected international markets.

Through the skills and wholehearted commitment of our employees, we will be leaders in our markets – excelling in product quality, technical and marketing creativity and service to our customers.

We are committed to the highest standards of business and ethical behaviour, to fulfilling our responsibilities to the communities which we serve and to the creation of long term value for all stakeholders on a socially and environmentally sustainable basis.

About Us
Since our modest beginnings in 1972, in a greenfield site in Listowel, Co. Kerry, Ireland we have grown from strength to strength to become a leading player in the global food and beverage industry, with current annualised sales of €6.6 billion.

This journey has been one of dynamic growth and strategic acquisition, guided by our in-depth understanding of international market dynamics, insights into consumer trends, shifting taste preferences and evolving nutritional requirements.

As an organisation, we never stand still and are clear with our colleagues, customers and stakeholders; who we are, what we do, how we do it, where we are going and why we matter – we call this The Kerry Way.

Kerry Taste & Nutrition has successfully grown to become the largest and most technologically advanced developer and provider of taste and nutrition solutions in the world. We are the industry reference and the customer preference in the global food and beverage industry.

Kerry Foods, the Group’s consumer foods division, has grown its presence with retail partners in the Irish, UK and selected international markets. Many of the division’s brands are household names in their respective markets including category leading brands such as Dairygold, Richmond, Fridge Raiders, Cheestrings and Denny. Kerry Foods is also a leading provider of customer branded chilled foods.

Group Revenue by Division
- 80% Taste & Nutrition
- 20% Consumer Foods

Group Trading Profit by Division
- 89% Taste & Nutrition
- 11% Consumer Foods

140+
Sales in over 140 countries

25,000+
Employees

Follow our journey of progress and innovation overleaf

Details of the Group’s business performance in 2018 are presented in the Chief Executive’s Review pages 12-15 and in the Business Reviews pages 42-48

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Pictured: John and Owen Brosnan on their family farm, which is SDAS certified under the Origin Green programme.

From a small dairy company in the south west of Ireland to a global leader, the Kerry journey is a story of how belief and vision were combined to create a unique company.

THE EARLY YEARS

1974 Formation of Kerry Co-operative to grow integrated dairy processing business.
1982 Diversification into the convenience meat business with the acquisition of Denney & Doffy’s in Ireland.
1986 Transition from Kerry Co-op to Kerry Group plc with the launch on the Dublin Stock Market.
1987 Kerry opened its first overseas food ingredients manufacturing plant in Jackson, Wisconsin.
1988 Acquired Beetamea to become the No.1 specialty food ingredients company in the US, at a cost that equaled to Kerry’s market capitalisation at the time.

1994 Invested in Latin America with acquisition of a facility in Manaus, Brazil. Acquisition of DCA Food Industries Inc. brings international capability in coatings, bakery and fruit ingredients.
1998 Further expanded in Europe with the acquisition of Mattessons Wall’s into Kerry Foods.
1997 Acquired SDF Foods, Malaysia – Kerry’s first move into manufacturing in South East Asia.
1999 Commissioned processing facility in Minas Gerais, Três Corações, Brazil.
2000 Acquisition of Golden Vale brings the Cheeselings brand to Kerry Foods, which is now marketed in 8 European countries.
2003 Acquisition of foodservice branded business On Vibe Gourmet, a supplier of flavoured syrups for specialty coffee chains.
2004 Global Functional Ingredients & Actives platform developed, through the acquisition of Quest, a leader in the innovation and application of two ingredients and plasma ingredients.

Acquired Taste Master and Tianning Regional Development & Application Centres opened in Beloit, allowing Kerry’s research teams to develop unique and innovative products.
2009 Completed the acquisition of DaVinci Gourmet, a supplier of natural smoke flavours.
2010 Acquisition of Noon Foods, UK, producers of authentic Asian ready meals for the UK market.
2011 Continued growth of Kerry Foods with acquisition of Bree Foods. Global Technology & Innovation Centre opened in Beloit, allowing customers to work side-by-side with Kerry’s research teams to develop unique and innovative products.

2012 Completed the acquisition of Cargill Flavour Systems, strengthening Kerry’s portfolio through the acquisition of Maison Flavex, Fruitsmen, Oregon Chai and Laboratory Kraus.
2013 Acquisition of Noms Foods, UK producers of authentic Asian ready meals for the UK market. Announced the establishment of the first manufacturing plant in Hengshou, China.
2014 Global Technology & Innovation Centre opened in Beloit, allowing customers to work side-by-side with Kerry’s research teams to develop unique and innovative products.

2015 Opening of the Global Technology & Innovation Centre in Kosovo, providing a focal point for scientific research, innovative processing technologies and market leading technology platforms.
2016 Acquired Taste Master and Tianning Flavours in Asia further expanding our taste innovation technology portfolio and footprint to meet local consumer preferences within the region.

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DEVELOPING A FOOD INGREDIENTS BUSINESS

1992 Acquisition of Dalgety (DFI) with manufacturing facilities in the Netherlands, Hungary, Poland and Ireland. With it came dedicated flavour capability through the UK and Australian based, Masterflavour Flavour business. Extended presence in the Asia Pacific region with the acquisition of the ingredients business of Australian food group Burn’s Philip.

2004 Roll-out of 1 Kerry ‘go-to-market’ programme.
2006 Continued growth of Kerry Foods with acquisition of Bree Foods. Global Technology & Innovation Centre opened in Beloit, allowing customers to work side-by-side with Kerry’s research teams to develop unique and innovative products.
2011 Completed the acquisition of Quest; a leader in the innovation and application of bio-ingredients and extracts and flavour capability.

Building a Global Organisation

INGREDIENTS BUSINESS

2008 Opened our first manufacturing plant in Kosovo, producing ingredients for the meat processing and snacks market. Extended our taste and clean label capabilities with the acquisition of Fleischmann’s Vinegar Company Inc., a USDA certified all-natural producer of specialty ingredients.
2009 Acquisition of AATCO Food Industries LLC, a leading Oman headquartered provider of culinary sauces, providing a strategic platform for business development in the Middle East and Africa.
2010 The acquisition of Ganeden, a producer of patented probiotics, significantly strengthens Kerry’s position in the nutritional active market. Acquisition of Taste Master and Tanning Flavours in Asia further expanding our taste innovation technology portfolio and footprint to meet local consumer preferences within the region.

Details of the Group’s business performance in 2008 are presented in the Chief Executive’s Review (pages 29-35) and in the Business Reviews (pages 36-49).
Creating Value for all Stakeholders

Kerry has a proven track record of sustainable delivery and value creation for all its stakeholders. The value created by Kerry for a number of its stakeholders is outlined below:

**SHAREHOLDERS**
Kerry has a longstanding history of sustained delivery of results combined with delivering on sustainability initiatives. The Group has delivered compound TSR of 16% since going public in 1986.

**EMPLOYEES**
Kerry has an ambitious collaborative culture. We invest in leadership, professional and technical capabilities for employees, and provide opportunities for personal growth and career development.

**CUSTOMERS**
Kerry works across a broad range of customers and end use markets to improve food and beverage products through innovation and enabling speed to market.

**CONSUMERS**
Kerry has a number of platforms to educate and empower customers and their consumers to make better food, beverage and lifestyle choices, including the Kerry Health and Nutrition Institute (KHNI).

**SUPPLIERS**
Kerry has an extensive network of suppliers spread across the globe.

**GOVERNMENT**
Kerry makes a positive contribution to governments in the territories in which we operate through tax contributions, procurement from local vendors and job creation.

**COMMUNITY**
Kerry works with local and international partners (e.g. World Food Programme and Concern Worldwide) to support local community development and improve health and nutrition in some of the world’s poorest communities.

€1m
Committed further €1m in 2018 to improve nutrition among some of the world’s poorest people through the RAIN programme in Niger.

We also work with the World Food Programme.

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**Taste & Nutrition**

At Kerry Taste & Nutrition, we understand consumers want to enjoy delicious meals and beverages made from ingredients they know and trust. This is driving manufacturers, retailers and foodservice providers to re-evaluate their recipes, processes and the ingredients they use in the development of their products.

In a $75 billion fragmented market, Kerry has the largest and broadest range of taste, nutrition and functional ingredient solutions and technologies available to re-formulate existing products and create new products across all food and beverage end use markets.

We inspire and are inspired by food, and our global team of expert food scientists, chefs, baristas, brewers, mixologists, bakers and nutritionists bring with them a deep passion and commitment to their work, building our reputation as a trusted supplier to the world’s leading food, beverage and pharma companies.

At Kerry, we know success in the food and beverage industry requires an ability to stay ahead of ever-changing consumer demand. We understand and innovate to fill the gap between what consumers are looking for and what is technically possible.

We empower our customers to deliver products that will delight and nourish their consumers across the globe.

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**Key Performance Indicators**

- Dividend paid to shareholders: €114m
- R&D scientists: 900+
- Payroll of €1.2bn
- 90% of waste diverted from landfill
- The KHNI has published 150+ articles, 13 white papers and hosted 6 specialised webinars since 2016
- Committed further €1m in 2018 to improve nutrition among some of the world’s poorest people through the RAIN programme in Niger.
Consumer Foods

Kerry Foods is the consumer foods division of Kerry Group and is a leading supplier of chilled and frozen food products in the UK and Ireland, focussing on dairy, meat, snacking and meal solutions.

Kerry Foods is home to many of the market’s best-performing and best-loved brands including Dairygold, Richmond, Fridge Raiders, Cheestrings and Denny. Kerry Foods brands can be found in kitchens, supermarkets, service stations, convenience stores and entertainment venues the length and breadth of the UK and Ireland, as well as in some selected international markets. In addition to these brands, Kerry Foods customer branded products can be found in leading supermarkets in the UK and Ireland.

Key to the success in the categories in which Kerry Foods play is the ability to bring innovative product offerings to the market to excite and engage our customers and consumers.