Performance and Targets
Our Value Creation Framework

Delivering Strong Shareholder Return

Growth

Sustainability

Return
## Track Record of Long-Term Growth & Financial Delivery

### Strong Growth Since 1986

<table>
<thead>
<tr>
<th>Revenue</th>
<th>Trading Profit</th>
<th>Adjusted EPS</th>
</tr>
</thead>
<tbody>
<tr>
<td>€337m (9% CAGR)</td>
<td>€14m (13% CAGR)</td>
<td>€797m (12% CAGR)</td>
</tr>
</tbody>
</table>

See 2020 Annual Report for definition of metrics
Financial Performance vs Mid-Term Targets

Tracking well before Covid-19 impacted performance in 2020

**Growth**

- **Volume Growth**: 3-5%
  - 2018: ✓
  - 2019: ✔
  - 2020: ❌
  - 2021e: ❌

- **Margin Progression**: +30bps
  - 2018: ✔
  - 2019: ✔
  - 2020: ❌
  - 2021e: ❌

- **EPS Growth**: +10%
  - 2018: ✔
  - 2019: ✔
  - 2020: ❌
  - 2021e: ❌

**Return**

- **ROACE**: 12%+
  - 2018: ✔
  - 2019: ✔
  - 2020: ❌
  - 2021e: ❌

- **Cash Conversion**: 80%+
  - 2018: ✔
  - 2019: ✔
  - 2020: ❌
  - 2021e: ❌

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Beyond the Horizon

**Better for People**

- **1bn+ CONSUMERS**
  - Expanded reach of positive and balanced nutrition to over 1 billion consumers

- >80%
  - Of our Taste & Nutrition portfolio delivering positive or balanced nutrition

- 225+
  - Indepth articles published by the Kerry Health & Nutrition Institute

**Better for Society**

- TOP 5%
  - Ranked #16 of the world's 350 most influential food and agriculture companies who are transforming food systems

- 1,000+
  - Extremely vulnerable households supported by Kerry & Concern Worldwide through the RAIN programme in Niger

- 7,500+
  - Children benefiting from nutritionally enhanced meals via partnership with UN World Food Programme in Honduras

**Better for the Planet**

- 17%
  - Reduction in absolute Scope 1 and Scope 2 emissions versus 2017 base year

- 10%
  - Reduction in Food Waste versus 2017 base year

- 92%
  - Of waste volumes diverted from landfill towards other productive uses
Drivers of Value Creation

<table>
<thead>
<tr>
<th>Drivers of Value Creation</th>
<th>Growth</th>
<th>Return</th>
<th>Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Growth</strong></td>
<td>Revenue Growth</td>
<td>Tast</td>
<td>Strong Cash Generation</td>
</tr>
<tr>
<td></td>
<td>Margin Expansion</td>
<td>Nutrition</td>
<td>Consistent Returns</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Emerging Markets</td>
<td></td>
</tr>
</tbody>
</table>

Delivering Strong Shareholder Return
Our Mid-Term Targets (2022-2026)

<table>
<thead>
<tr>
<th>Growth</th>
<th>Return</th>
<th>Sustainability</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue 4-6%</td>
<td>Cash 80%+</td>
<td>People</td>
</tr>
<tr>
<td>Volume Growth¹</td>
<td>Cash Conversion¹</td>
<td>Expanding Nutritional Reach</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Positive &amp; Balanced Nutrition</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Kerry Health &amp; Nutrition Institute</td>
</tr>
<tr>
<td></td>
<td>Return 10-12%</td>
<td>Society</td>
</tr>
<tr>
<td></td>
<td>Return on Average Capital Employed¹</td>
<td>Diversity &amp; Inclusion</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Nourishing Communities</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Ethics &amp; Human Rights</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Planet</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Carbon</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Food Waste</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Responsible Sourcing</td>
</tr>
</tbody>
</table>

¹Average targets over the course of the plan | Volume growth target assumes 2% above market growth rate | See appendix for definition of metrics
Strong Revenue Growth

Key Growth Platforms

- Authentic Taste
- Plant-Based
- Food Waste
- Health & Bio-Pharma

Strategic Priorities

- Taste
- Nutrition
- Emerging Markets

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4-6% Average Volume Growth
Step-Change Margin Expansion

Portfolio Mix

→ Increased depth of technology solutions
→ Increased depth of innovation support
→ Strategic focus areas

Operating Leverage

→ Leverage global footprint
→ Leverage business development & commercial structures
→ Leverage business enablement functions

Operational Efficiencies

→ Continuous improvement
→ Kerry Global Business Services
→ Accelerate operational excellence

Reinvestment for Growth

→ Science, technology & innovation
→ Sustainability
→ Digital capability
→ Localisation

18%+ Group EBITDA Margin by 2026

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Accelerate Operational Excellence

Manufacturing Excellence
- Next Generation Manufacturing
- Asset & footprint optimisation
- Digital & Automation

Supply Chain Excellence
- Optimise Warehouse & Distribution Network
- Raw Material Category Optimisation
- Planning Excellence
- Digital Analytics & Enablement

Kerryconnect Enabled

Investment of €120m | Recurring annual benefit of €70m on completion
Strong Cash Conversion & Returns

→ 80%+ Cash Conversion
→ Focused Capital Expenditure Aligned to Strategic Growth Priorities
→ 10-12% ROACE
→ Strict Working Capital Management to Deliver Days Improvement

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### Key Sustainability Targets – Beyond the Horizon

<table>
<thead>
<tr>
<th>Better for People</th>
<th>Better for Society</th>
<th>Better for the Planet</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>2bn+ CONSUMERS</strong></td>
<td><strong>Nourishing Communities</strong></td>
<td><strong>Increasing our Carbon Reduction Target to 55% for Scope 1 &amp; 2 emissions by 2030 and net zero before 2050</strong></td>
</tr>
<tr>
<td><strong>&gt;80%</strong></td>
<td><strong>Engaging with others through community partnerships</strong></td>
<td><strong>1.5°C</strong></td>
</tr>
<tr>
<td>Of our Taste &amp; Nutrition portfolio delivering positive or balanced nutrition</td>
<td><strong>~50%</strong></td>
<td><strong>50%</strong></td>
</tr>
<tr>
<td>Making the science of healthier food accessible</td>
<td><strong>Ethical Business</strong></td>
<td><strong>Halving our food waste by 2030 in line with target 12.3 of the SDGs</strong></td>
</tr>
<tr>
<td></td>
<td><strong>/upholding our values and internationally recognised human rights</strong></td>
<td><strong>100%</strong></td>
</tr>
<tr>
<td></td>
<td><strong>PARTNERSHIP FOR GLOBAL LGBTI EQUALITY</strong></td>
<td>Of our priority raw materials responsibly sourced by 2030</td>
</tr>
</tbody>
</table>
Capital Allocation Framework

Disciplined Capital Allocation Driving Shareholder Return

Capital Deployment

Reinvestment

- Capital Expenditure
  - 4-5% of Revenue

Returning Cash to Shareholders

- Dividends
  - Growth of 10%+

- M&A
  - Aligned to Strategy

- Share Buybacks
Strategic Reinvestment to Create Value

**Capital Deployment**

Organic & Acquisitive Investment

**Strategic Priorities**

- Taste
- Nutrition
- Emerging Markets

**Value Creation**

- Growth
- Return
- Sustainability
## Assumptions and Other Matters

<table>
<thead>
<tr>
<th>Category</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Currency</td>
<td>Assumed constant currency</td>
</tr>
<tr>
<td>Pricing</td>
<td>Confident of raw material pass through pricing model</td>
</tr>
<tr>
<td>Tax</td>
<td>Group effective tax rate of 15%+ in the later years of the plan, based on the assumed enactment of a Global Minimum Tax Regime</td>
</tr>
<tr>
<td>Reporting Segments</td>
<td>Updating for realignment of Dairy business</td>
</tr>
<tr>
<td>Financing</td>
<td>Consistent debt equity capital structure</td>
</tr>
<tr>
<td>Mid-term targets (2022-2026)</td>
<td>Volume Growth</td>
</tr>
<tr>
<td>-----------------------------</td>
<td>---------------</td>
</tr>
<tr>
<td></td>
<td>4-6%</td>
</tr>
<tr>
<td>By 2030</td>
<td>Reach 2bn People with Sustainable Nutrition</td>
</tr>
</tbody>
</table>
Definitions

Financial Metrics

**Volume Growth**
This represents the sales performance year-on-year, excluding pass-through pricing on raw material costs, currency impacts, acquisitions (net of disposals) and rationalisation volumes.

**EBITDA**
EBITDA represents profit before finance income and costs, income taxes, depreciation (net of capital grant amortisation), intangible asset amortisation and non-trading items (net of related tax).

**Cash Conversion**
Cash conversion is defined as free cash flow, expressed as a percentage of adjusted earnings after taxation.

**Free Cash Flow**
Free cash flow is EBITDA plus movement in average working capital, capital expenditure, payment of lease liabilities, pensions costs less pension expense, finance costs paid (net) and income taxes paid.

**ROACE**
This measure is defined as profit after taxation attributable to owners of the parent before non-trading items (net of related tax), brand related intangible asset amortisation and finance income and costs expressed as a percentage of average capital employed.

**Average Capital Employed**
Average capital employed is calculated by taking an average of the shareholders' equity and net debt over the last three reported balance sheets.

Non-Financial Metrics

**Nutritional Reach**
This the number of people reached globally by Kerry products that have a positive or balanced nutritional rating.

**Carbon Reduction**
This relates to the reduction of greenhouse gas emissions by Kerry Group as expressed in carbon equivalents. For Scope 1 and 2 emissions, we are targeting a reduction in absolute emissions versus a 2017 baseline, where Scope 1 emissions are direct emissions from owned or controlled sources and Scope 2 emissions are indirect emissions from the generation of purchased energy.

Where there is reference to Scope 3 emissions, this refers to all indirect emissions (not included in scope 2) that occur within the value chain. Our Scope 3 target is for a reduction in emissions intensity.

**1.5° Celsius**
This refers to the highest level of ambition within the 2015 Paris Agreement, where countries agreed to hold global average temperature increase to well below 2 degrees and to pursue efforts to limit the temperature increase to 1.5°C above pre-industrial levels. This 1.5 degree limit is increasingly recognised as the required target pathway to avoid the worst effects of climate change.

**Food Waste**
This represents food waste generated and disposed of through Kerry's operations and is measured and reported in accordance with the Food Loss and Waste Protocol.
Creating a World of Sustainable Nutrition