

Global Tax Policy Statement

*This statement applies to Kerry Group plc and its subsidiary companies
(referred to hereinafter as “Kerry” or “the Group”).*

Introduction

Kerry is committed to the highest standards of business and ethical behaviour and to the creation of long-term value for all stakeholders on a socially and environmentally sustainable basis. Our Group Code of Conduct, and the policies supporting it, define business conduct standards for everyone who works for us, in all business areas, in every function, geography and role. Employing over 25,000 employees throughout our manufacturing, sales and technical centres in Europe, the Americas and Asia Pacific, we pay a significant amount of tax worldwide, including corporate income tax, stamp duty, employment tax and other taxes. We also collect and pay employee taxes as well as indirect taxes such as excise duties and VAT. We pay tax in accordance with all relevant laws and regulations in the territories in which we operate. Our tax policy is based on the following key elements:

Compliance

Kerry is committed to complying with all relevant tax laws in a responsible manner on a global basis whilst also actively managing tax matters in order to deliver our business strategy and to create sustainable shareholder value. In order to mitigate any taxation risks which may arise, we employ a team of dedicated internal tax experts who support the Group in ensuring compliance with all taxation matters globally. We also engage external taxation advisors for research, use of economic statistical studies and guidance on matters of compliance where appropriate.

Risk Management

The Group’s risk management and internal control systems are owned by the Board of Directors who are responsible for ensuring that the risk appetite and risk tolerance are set to appropriate levels and also for ensuring that appropriate mitigating procedures exist for each of the principal risks identified. The Board has defined the culture, values and expected behaviours of the organisation through the Group Code of Conduct, which supports the overall risk management framework.

Within this framework, the Board delegates responsibility for day-to-day management of risk to Executive Management to ensure that appropriate risk management and internal control systems are in place to mitigate these principal risks. Under delegation from the Board, the Group’s Audit Committee assesses the overall risk profile and evaluates the design and effectiveness of the risk management and internal control systems throughout the Group. The Risk Oversight Committee supports the Audit Committee in the risk management process through on-going monitoring and evaluation of the risk environment and ensuring continuous improvement of the effectiveness of risk mitigation activities.

The global nature of the Group means that it operates across a large number of jurisdictions and is subject to periodic challenges by local tax authorities on a range of tax matters. Tax legislation is open to different interpretations and the tax treatments of many items is uncertain. Amounts accrued in respect of such uncertainties are determined based on management’s interpretation of the relevant tax laws and likelihood of a successful conclusion.

Levels of tax risk are monitored as outlined above to ensure they remain within appropriate limits for each area. The level of tax risk which Kerry accepts in relation to taxation is therefore integrated within the Group's broader risk management framework.

Responsible Tax Planning

We take into account the tax implications in planning to support our business and create sustainable shareholder value. Such planning is aligned with commercial aims and economic activity. We do not engage in "artificial" tax arrangements. We are guided in our tax planning by relevant international standards and we conduct all intra-group transactions at prices that accord with the arm's length standard. All tax initiatives must be approved by the Group Head of Tax.

Tax incentives and exemptions may be implemented by governments and fiscal authorities in order to support investment, employment and economic development. Where such schemes exist and they are appropriate to our commercial aims and economic activity we endeavour to apply them in the manner intended.

Engagement with Tax Authorities

Kerry Group places a strong emphasis on proactively engaging with tax authorities in a manner which builds and sustains relationships in a continuous and on-going basis. This involves being open and transparent with tax authorities about our tax affairs and working collaboratively with them to achieve early agreement on disputed issues wherever possible. This is the Group's general policy and applies in our dealings with tax authorities worldwide on any and all tax issues including interpretation issues, tax events and existing, future and past tax risks.

Accountability and Governance

Responsibility for the Group's approach to taxation is owned by the Group CFO and overseen by the Board of Directors in line with the risk management framework discussed above.

The Group Head of Tax is responsible for ensuring that appropriate tax policies and procedures are in place and that suitable training and education is provided to the global tax team in order to support the key principles set-out above.

Further Information

This policy statement is owned by the Group CFO and overseen by the Board of Directors. The policy statement is applicable across the Kerry Group globally and is reviewed, updated and approved on an annual basis. The statement was approved on 19th November 2019 by the Group Chief Financial Officer and Group Head of Tax.

Kerry Group plc regards this publication as complying with Part 2 of Schedule 19 of the UK Finance Act 2016.