

KERRY GROUP PLC

Supplier Invoicing Guide

MAY 2021

INTRODUCTION

This Supplier Invoicing Guide outlines Kerry's requirements and expectations in relation to invoicing processes.

As a current or potential supplier to the Kerry Group, it is your responsibility to read, understand and follow these requirements to ensure prompt and correct processing and payment of invoices.

In addition to this section of general instructions, there are region-specific Appendices for North America, Latin America, Europe and Asia-Pacific which contain region-specific information such as addresses, contacts and any special instructions. These documents are available at: www.kerrygroup.com/our-company/policies-statements/.

Kerry also has requirements, expectations, and guidelines in addition to the requirements and guidelines contained in this Supplier Invoicing Guide. These documents are available at: www.kerrygroup.com/sustainability/policies-statements/

Kerry Group Code of Conduct

Kerry Group Code of Conduct and supporting policies define business conduct standards for anybody working for or on behalf of Kerry Group.

All business which Kerry conducts with Suppliers is subject to the Kerry Group Code of Conduct.

Supplier Code of Conduct

This Code of Conduct sets out the minimum standards we expect and we encourage all suppliers to go beyond these requirements. The term 'Supplier' as used in this code refers to suppliers, vendors, contractors, consultants, agents and other providers of goods and services who do, or seek to do business with Kerry Group worldwide.

The Kerry Group Supplier Requirements Manual

This manual details Kerry's expectations of its suppliers of raw materials (ingredients and packaging) and services. It is based on, and in line with, the recognized schemes of Global Food Safety Initiatives (GFSI) and conforms to good manufacturing standards and regulations. These are essential requirements to assure food safety, food defence, chain of custody and compliance with regulations.

These, and similar documents, may be changed by Kerry at any time and it is your responsibility to check periodically that you have the most up-to-date versions.

Vendor Master Record

When Kerry enters into a business relationship with a Supplier, one of the first tasks to be completed is the creation of a Vendor Master Record. The Vendor

Master Record identifies the correct Supplier details such as:

- > Unique Vendor Identification Number
- > Legal Name
- > Address
- > Telephone/Fax numbers/Email address
- > Etc.

In addition to the above, there are some fields which are critical to the efficient processing and payment of invoices:

Banking Details

Electronic Fund Transfer (EFT) is Kerry's standard payment method. Using EFT reduces paper processing, reduces errors, and allows for faster response times to payment enquiries.

Suppliers are required to provide complete and correct bank details which will be used to remit payment. Suppliers may be asked to provide documentation to support the information provided.

In order to protect both Kerry and Suppliers, changes to bank details must be communicated to Kerry as indicated under the **Vendor Changes** section of each Appendix. Kerry will not make any changes until appropriate confirmation has been received. **Email alone is not sufficient to change bank details.**

Tax Identification Numbers

Suppliers are required to provide tax identification certificates which identify the tax identification number which will be used to submit invoices and process payments. Tax identification numbers held in the Vendor Master Record must be an exact match to the tax identification numbers used on Supplier invoices.

Suppliers who are exempt from tax requirements will be asked to provide documentation supporting this status.

If, at any time, there is a change in the tax numbers used by a Supplier then this should be communicated to Kerry as indicated under the **Vendor Changes** section of each Appendix. Initial communication may be via email but additional written notification may be required.

Contact Details

Kerry can send automatic payment notifications to email addresses provided by the supplier. It is the Supplier's responsibility to ensure that these details are correct. Any changes to contact details should be communicated to Kerry as indicated under the **Vendor Changes** section of each Appendix.

Invoice Submission

Although Kerry offers several methods for Suppliers to submit invoices, electronic submission via the Coupa Supplier Network the preferred method. Kerry also uses the Tungsten network. Suppliers who currently invoice via Tungsten may continue to do so but Kerry encourages suppliers to migrate to Coupa when and where possible. Other methods are via post/mail or via Electronic Data Interchange (EDI). Note that all methods may not be available in all countries.

Use of the Coupa Supplier Network

The Coupa Supplier Network (CSN) is a cloud-based platform which Kerry uses to transact business with Suppliers. It is used for Supplier Registration, Competitive Bidding/Quotes, Contract Management, Catalogue Management, PO Management and Electronic Invoicing. Suppliers who use the CSN will have a portal account through which they can manage their transactions with Kerry. Suppliers who may already use the CSN can easily add Kerry as a new customer to an existing account. There is no charge to suppliers for use of the CSN, there is no subscription fee and there is no software to purchase/download/install.

Purchase Orders are provided in a standard format and invoices are automatically checked completeness and accuracy. Electronic invoicing is only used in countries where Coupa is certified as compliant with local legislation.

Depending on Supplier preferences, the CSN can be used to send POs and receive Invoices and Credit notes.

Purchase Orders can be provided in several ways:

- > Sent by e-mail only

- > Posted to the Supplier's Portal Account only. Notifications can be used to alert relevant personnel of a new PO
- > Posted to the Supplier's Portal Account AND sent by e-mail to one or more default e-mail addresses
- > Posted to the Supplier's Portal Account AND sent to directly to the Supplier's ERP system as a cXML file.

Suppliers can submit invoices and credit notes in several ways:

- > Supplier Actionable Notifications : Flip incoming PO's into invoices right from the PO email. This is the easiest way to submit electronic invoices through Coupa. It is also possible to acknowledge and comment on PO's right from the email.
- > Coupa Supplier Portal : Create invoices directly from purchase orders on the Coupa Supplier Portal for free. This is the most comprehensive way to manage your interactions with Coupa. This method is ideal for suppliers with low to medium volume purchase orders and invoices, or who want to view all transactions from their customers who use Coupa in one place.
- > cXML Invoicing : Tighter integration with Coupa allows cXML invoices to be sent direct from the supplier ERP system to Coupa. If cXML is used to receive purchase orders, this is a natural choice. This is suitable for suppliers with a high volume of purchase orders, or who automate their invoicing.

In certain countries (All European countries, South Africa, Singapore, Malaysia, Australia, New Zealand, The United States and Canada), Kerry uses Coupa Compliance as a Service Module. This permits suppliers to submit legally correct and compliant invoices via Coupa. Coupa will generate invoices in your name and on your behalf based on the invoice data which you have provided. As a result, **the Coupa Generated PDF invoice is the only valid tax and legal invoice.** Suppliers agree to this when accepting the Terms of Use of the Coupa Supplier Network. Invoices submitted via Coupa MUST represent and fully match the invoices in your accounting system. You are required to use the Coupa Invoice for any financial and legal matters such as Tax Audits or Tax Declarations and by using the Coupa Supplier Network **you explicitly agree that you will not create and send any invoices to Kerry outside the Coupa platform and will not attach any invoices in any format to your Coupa invoice.**

Further information is available here:

<https://www.kerrygroup.com/our-company/supplier-information/>

Extensive information on Coupa may be found here : <https://success.coupa.com/>

Suppliers may request an invitation to the Coupa Supplier Network by sending a request to the contact details provided in each regional appendix.

Electronic Submission via Tungsten

Tungsten enables Suppliers to send a standard invoice format and use a preferred communication method. This means that Suppliers can send electronic invoices from an existing billing system without requiring IT changes.

There is no hardware or software to install and subscribing to the network is simple – Suppliers can start to send invoices electronically in as little as 48 hours from sign-up. The Tungsten Network satisfies the demands of GST/VAT/TAX administrations across Europe, North America and Asia Pacific who have accepted the elimination of the paper invoice for companies using the Tungsten Network. Tungsten is not available for invoicing all Kerry locations. Please see each Appendix for a list of Kerry entities using the Tungsten Network.

Benefits which Suppliers will have when Tungsten is used include:

Invoice Submission Options

Standard Electronic Delivery of Purchase Orders:

Kerry Purchase Orders will be automatically sent to the Supplier's Tungsten account from where they can be retrieved, downloaded or converted into invoices. The PO format will be standard and consistent and will contain all the information needed for invoicing.

Fast Invoice Delivery: Invoices are received by Kerry electronically and are not subject to the costs and delays associated with paper invoices.

Invoice Status Visibility: Suppliers can check invoices and confirm receipt and payment status without having to contact Kerry Accounts Payable.

Invoice Data Validation: Invoices are checked for errors and omissions at the time of submission. This allows corrections to be made and will reduce or eliminate invoice processing delays or returns.
Improved Payments: Invoices will be received sooner and have fewer errors. This enables Kerry to process invoices and ensure on-time payments.

Invoice Submission Options

There are two ways to submit invoices via the Tungsten Network:

- > **An Integrated Solution:** This allows Tungsten to accept invoice data in a standard format from a Supplier accounting system. It eliminates the need to issue paper or email invoices. This option is recommended for Suppliers who have high invoice

volumes and/or who wish to automate and improve their Accounts Receivable processes.

- > **A Web-Form Solution:** This allows Suppliers to 'flip' a Purchase Order into an Invoice thus eliminating most of the manual entry of invoice data. It also allows Suppliers to enter invoices manually by filling in an online form.

In both cases the invoice content is validated on submission and Suppliers receive immediate notification of errors.

Suppliers can sign up for a free Tungsten account at register@tungsten-network.com.

Additional information about the Tungsten Network, including frequently asked questions and Kerry contact details, can be found in each Appendix.

Hard Copy Invoices and Email Invoices

Invoices submitted as hard-copy documents sent via mail, post, courier etc. MUST be sent to the correct address.

Billing addresses are provided on every Purchase Order Document. Suppliers should note that Raw Materials & Packaging, Freight and Other Goods and Services may have different invoicing requirements. Suppliers should refer to each appendix for specific details.

Invoicing via Electronic Data Interchange (EDI)

Suppliers who submit a large number of invoices may also opt for submission via EDI. This will create a custom electronic link between the Supplier system and the Kerry system.

Invoice Requirements

In all cases the following requirements apply to hard copy invoices. Failure to comply with these requirements may result in payment delays and/or return of invoices to Suppliers.

1. Vendor Legal Name.
2. Vendor's Registered Address.
3. Vendor's Tax Identification Number.
4. **Vendor's invoice number.** It is preferred that this number does not contain any special characters such as -, /, _ , etc.

5. **Invoice date.** Accurate invoice date and within 5 days of invoice submission date.
6. Correct Kerry customer (Bill-To) name and Kerry GST/VAT/Tax Identification number.
7. Kerry Purchase Order number
 - a. Kerry operates a No PO-No Pay policy. All Kerry Purchase Orders are available as .PDF documents. If you do not receive this, please request one from the person placing the order.
 - b. One Purchase Order number ONLY per invoice.
 - c. Examples of Purchase Orders are included in each Appendix.
8. Delivery Note number on invoices for goods. One Delivery Note number ONLY per invoice.
9. **Description of the goods or services.** Where possible, the same description as on the Purchase Order should be used.
10. **Quantity of the goods or services.** This should match the delivered quantity.
11. **Unit of measurement.** In the same units as the Purchase Order.
12. **Unit price.** In the same currency as the Purchase Order.
13. **Total amount excluding tax.** In the same currency as the Purchase Order.
14. **Tax amount.** In the same currency as the Purchase Order.
15. **Total amount including tax.** In the same currency as the Purchase Order.
16. **Shipment number.** For Freight hauliers, Customs brokers etc, Kerry requires that the Shipment Number be used on the invoice. The Shipment Number is a Kerry-generated number which identifies the specific details of the shipment in question. It should be provided by Kerry when the Transport/Brokerage service is booked. No further details such as Origin/Destination/Weight/Volume are required. Each Invoice should quote one Shipment Number only
17. **Delivery address.** The address to which goods are delivered or at which services are provided.

Note

- a. Invoices should not include additional charges that are not on the Purchase Order. If there are additional charges, please agree a billing procedure with the Kerry contact, request an amendment to the existing Purchase Order or request a separate Purchase Order for the additional charges.
 - b. Only invoices will be paid. Statements, delivery tickets, pro-forma invoices or other documents will not be processed for payment without prior approval from Kerry.
 - c. In certain countries, supplier invoices may be required to include additional information. Suppliers are expected to understand and follow applicable invoice format requirements.
- > Suppliers should not attach scanned invoice copies when submitting invoices via Coupa. The Terms of Use which are accepted by the supplier stipulate that the Legal Invoice consists of the data which the supplier submits as a cXML file, or enters into the Coupa platform via CSN or SAN. Scanned attachments have no legal standing and will not be processed.

Invoice Disputes

Any dispute in price or quantity must be supported by credit note. The invoice will remain unpaid until the dispute is resolved.

Goods are returned to Suppliers using a Return Purchase Order. Please Quote the Return Purchase Order number on the Credit Note.

Credit notes should quote a reason for the credit, the original invoice number, Purchase Order number, Return Purchase Order (for goods return) number that they refer to. Any credit note that does not quote these numbers may be deducted from your next payment and the invoice it relates to may remain unpaid.