As the world's leading Taste & Nutrition company, we believe that we can create the greatest value for our stakeholders by actively supporting the transition to healthier, more sustainable diets. With the emergence of an increasingly conscious consumer, products must now meet the dual demands of enhancing individual wellbeing while protecting people and the planet.

With the world's leading portfolio of taste and nutrition solutions, Kerry is ideally positioned to support our customers in the creation of great tasting, clean label products that are healthier, more nutritious and have a lower environmental impact. In 2018, we continued to evolve our taste and nutrition portfolio in this regard through developments such as our joint venture with plant protein leader Ojah.

We also look to support those beyond the reach of our products. On World Food Day 2018, we launched the second phase of the RAIN (Realigning Agriculture for Improved Nutrition) Programme in Niger, with the goal of improving access to nutrition for some of the world's poorest people.

Kerry Group remains focused on reducing the environmental footprint of our business and through the work of our Sustainability Council and regional teams, we have delivered against all annual environmental targets, surpassing our 2020 goals for both carbon and waste. Additionally, we made a commitment to the use of more sustainable plastic packaging through membership of the UK Plastics Pact.

In a year when urgent need for action on climate change was highlighted, we know that an even greater effort is required by companies like Kerry. As we enter the final year of our Towards 2020 Programme, we are looking at how we can scale up our positive impact in our workplace, our marketplace and in our wider society.

In 2019, as we look to further integrate sustainability in our business, we will continue to explore new and innovative ways of working to create value for our stakeholders and advance our journey of sustainable growth.

Edmond Scanlon, Chief Executive
Halima Fbid (28) walks one and a half hours to gather water each day with her daughter Lamchara (4). Tahoua, Niger. Photo: Jennifer Nolan.
KEY HIGHLIGHTS

SUSTAINABILITY PILLARS

<table>
<thead>
<tr>
<th>Environmental Sustainability</th>
<th>Reduction in carbon intensity</th>
<th>Reduction in water intensity</th>
<th>Reduction in waste intensity</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>16.4%</td>
<td>6.6%</td>
<td>22.7%</td>
</tr>
<tr>
<td></td>
<td>Versus 2013 base year</td>
<td>Versus 2013 base year</td>
<td>Versus 2013 base year</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Marketplace Sustainability</th>
<th>Food Safety</th>
<th>Responsible Sourcing</th>
<th>Research, Development &amp; Application</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>100%</td>
<td>100%</td>
<td>€275m</td>
</tr>
<tr>
<td></td>
<td>Sites with GFSI certification</td>
<td>Certification of milk suppliers maintained at</td>
<td>Industry-leading investment</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Workplace Sustainability</th>
<th>Health &amp; Safety</th>
<th>Workplace Audits</th>
<th>Learning &amp; Development</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>8%</td>
<td>100%</td>
<td>&gt;102,000</td>
</tr>
<tr>
<td></td>
<td>Year-on-year reduction in reported incidents</td>
<td>Across sites in developing markets</td>
<td>Courses completed by our people</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Community Sustainability</th>
<th>RAIN Programme</th>
<th>Project Leche</th>
<th>Special Olympics</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>€1m</td>
<td>208</td>
<td>2 Years</td>
</tr>
<tr>
<td></td>
<td>Commitment to tackling malnutrition</td>
<td>Honduran teachers trained on nutrition</td>
<td>New partnership to support athletes over</td>
</tr>
</tbody>
</table>

Note: Non-financial KPIs do not include the impact from recently completed acquisitions.

Non-Financial Statement

In accordance with the new regulations relating to non-financial disclosures we provide information on the required topics across this report. Relevant information on each topic can be found below.

<table>
<thead>
<tr>
<th>Reporting Requirements</th>
<th>Our Policies</th>
<th>Page Reference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Environmental Matters</td>
<td>Environmental Policy</td>
<td>Page 55</td>
</tr>
<tr>
<td>Social and Employee Matters</td>
<td>Health &amp; Safety Policy; Group Code of Conduct; Diversity, Inclusion &amp; Belonging Policy; Employee Concerns Disclosure Policy</td>
<td>Pages 65 to 67</td>
</tr>
<tr>
<td>Respect for Human Rights</td>
<td>Human Rights Policy</td>
<td>Page 65</td>
</tr>
<tr>
<td>Anti-bribery and Corruption</td>
<td>Anti-Bribery Policy; Group Code of Conduct</td>
<td>Page 65</td>
</tr>
<tr>
<td>Business Model</td>
<td></td>
<td>Pages 22 to 23</td>
</tr>
<tr>
<td>Non-financial KPIs</td>
<td></td>
<td>Pages 55, 58, 64 and 68</td>
</tr>
</tbody>
</table>
Few industries are as fundamentally linked to sustainability as the food and beverage industry. With a projected world population of almost 10 billion people by 2050, producing enough food to meet the growing demand represents both an opportunity and a significant challenge.

The current food system has a substantial environmental and social impact. Agriculture accounts for nearly a quarter of all greenhouse gas emissions, uses 70% of fresh water and is a leading cause of deforestation and biodiversity loss. Current diet and lifestyle choices are also a leading contributor to disease. According to the World Health Organisation, what we eat and drink is now the second highest risk factor for early death, making what we produce, and how we produce it, critical considerations for the Group.

At Kerry, sustainability is at the heart of our business. We are focused on making a positive contribution through our everyday actions and we remain committed to the creation of long term value for all stakeholders on a socially and environmentally sustainable basis.

Our Approach
Kerry’s Towards 2020 Sustainability Programme reflects our vision for making the world of food, beverage and pharma better. Launched in 2015, the programme builds on previous initiatives and reflects our heritage as a farmer cooperative. Kerry has grown from those agricultural roots to become a world leader and now, through our global reach, we aim to positively impact on the lives of those we connect with.

The Towards 2020 Programme is structured around four pillars; Environment, Marketplace, Workplace and Community and aims to protect the natural environment, enhance the lives of the people who create and consume our products, and connect us with the communities around us. Under each pillar, we have prioritised the most material issues for Kerry and its stakeholders. We have carefully examined the ways in which we can reduce our adverse impacts and identified where our skills and support can make a positive difference. We have set measurable targets for improvement in these areas over a five-year period. As we enter the final year of our programme in 2019, we are well positioned to deliver on these targets, providing momentum for further progress in the years ahead.

Towards 2020 and the UN Sustainable Development Goals
The UN Sustainable Development Goals (SDGs) provide a globally accepted roadmap for addressing many of the most urgent global economic, environmental and social challenges. Although the seventeen goals were agreed at international level, the challenges we face require broad participation and there is a crucial need for the private sector to play its part.

As a world leader in the food and beverage industry, our most significant contribution to the SDGs will come through enabling our customers improve the healthfulness and nutritional value of their products and doing so in a way that does not compromise the environment, the rights of others or the long term effectiveness of our business.

We will continue to be successful, while playing a positive role in the broader sustainable development agenda and throughout this review, we highlight the SDGs we impact on under each pillar. While we touch on a number of the goals, we identify below the SDGs that have greater strategic relevance for our business and we see the greatest potential for impact and opportunity in SDGs 2, 3 and 12.
Our Value Chain

Materiality

Our approach to sustainability is centred on addressing and reporting on the most material issues for Kerry and its stakeholders. In 2018, we undertook a comprehensive review of material topics to reaffirm that our Towards 2020 Programme is adequately positioned to address the most significant sustainability issues.

As part of the revised materiality assessment, we engaged with a wide range of stakeholders through a number of channels. In-depth interviews with key internal and external stakeholders were critical in confirming priority areas and for better understanding our stakeholders’ expectations. The outputs from these interviews were supported by a survey of a broader stakeholder group. The survey findings helped to validate the information received through the interview process and provided an opportunity for input from a larger and more diverse stakeholder group.

The outcome of the assessment has confirmed good alignment among internal and external stakeholders across a range of sustainability topics and confirmed that the Towards 2020 Programme remains well placed to address our most material issues. The assessment also supported feedback received through ongoing engagement with stakeholders, particularly with regard to the evolution in some topic areas, for example, plastic packaging within the area of waste and the circular economy.

The topics covered in this report are designed to reflect the outputs of this materiality assessment. All of these topics are reviewed as part of the broader risk assessment process, however, at this point not all are considered to be principal risks for the Group (see page 75). We will continue to keep these topics under review, particularly with respect to organisational changes and emerging themes.

The assessment will also be central to the development of the next phase of our Sustainability Programme as we seek to ensure continued alignment with business and stakeholder needs.
The pace of change and the scale of the challenges within our industry require that we work collaboratively to develop shared understanding and common solutions for many of the issues identified.

Stakeholder Engagement

We are committed to ongoing and constructive engagement with our key internal and external stakeholders and through a process of two-way engagement, we incorporate their views into our business activities.

We are engaged in partnerships with key stakeholder groups and relevant third parties to help achieve our 2020 goals. In 2018, we participated in a number of new collaborative projects, details of which are laid out in this report. Kerry is also a member of a number of trade organisations and multi-stakeholder initiatives, through which we seek to advance a healthier, more sustainable food system.

Before undertaking the materiality assessment in 2018, we revisited the process for stakeholder analysis to ensure we continue to interact appropriately with various stakeholder groups. Having clearly identified those who we impact, and those groups that can influence and impact Kerry, we tailored our materiality assessment to ensure input from diverse stakeholder groups.

Among our key stakeholders are employees, shareholders, communities, customers, consumers, government and suppliers including farmers. We understand that among and within these groups, there can be different and sometimes conflicting views. As part of our engagement we seek to balance these competing stakeholder interests and respond in a way that maximises the value for all those connected with the organisation.

Stakeholder Groups

We use a variety of channels to support the engagement process, many of which are tailored for specific stakeholder groups. Our ability to demonstrate a robust engagement process is a core part of our independent AA1000 (AS) accreditation and throughout this report we provide examples of how we engage and work with the various stakeholders outlined above. For more on how we create value for our stakeholders, see page 7.

Governance

The Group’s Sustainability Council has been established under delegation from the Board of Directors. It is chaired by a senior member of the Group’s Executive Committee and reports at least annually to the Board. The Sustainability Council is made up of functional leadership from across the organisation and its role is to assess the risks and opportunities presented by sustainability, as well as agreeing the means by which these should be addressed.

The responsibility for implementation rests with the relevant functional leadership, while the Council appraises the ongoing Group performance.
At Kerry we are mindful of our impact on the environment and recognise the fundamental importance of a healthy ecosystem for our shared future. We understand that our day-to-day activities contribute to some of the world’s key environmental challenges and our ability to successfully address these is vital in retaining our licence to operate.

We aim to minimise our impacts in accordance with the Group’s Environmental Policy and we seek to integrate environmental considerations into all aspects of our business. Our policy commits us to carrying out our activities in an environmentally responsible manner, to complying with all applicable environmental legislation, implementing good environmental practice and continuously improving performance.

| Reduction in carbon intensity versus 2013 base year | 16.4% |
| Reduction in water intensity versus 2013 base year | 6.6% |
| Reduction in waste intensity versus 2013 base year | 22.7% |
| Reduction in waste sent to landfill versus 2013 base year | 30.2% |

We have a comprehensive monitoring and reporting framework in place across all Kerry sites and performance is under ongoing review by regional Health, Safety and Environmental Directors, supported by their teams. With bi-monthly reporting to the Group’s Sustainability Council, we continue to deliver improvements across the key areas of emissions, water and waste.

This performance is supported by the implementation of recognised environmental management systems across our sites. In 2018, 80% of eligible sites were certified to the ISO 14001 Environmental Management System. We also continue to increase the number of energy intensive sites with ISO 50001 Energy Management certification, adding a further five locations in 2018.

Our environmental activities contribute to the achievement of the following UN Sustainable Development Goals.
Reducing Emissions

Like many organisations, Kerry is conscious of the potential impact climate change will have on people and the planet, and we continue to examine how we can manage the risks and opportunities that this presents for our business. Key risks include changing customer and consumer preferences, disruption to operations and supply chains as well as regulatory and policy responses to mitigate the worst effects of climate change. We also see an opportunity for companies like Kerry who are tackling their own emissions and can support a transition to products with a lower environmental footprint.

As part of our ongoing commitment on carbon, we track and report our impact. In 2015, we set a target for a 13% reduction across Scope 1 and Scope 2 emissions (See note 1). We measure and report performance in accordance with the GHG Protocol (See note 2) and our data is independently assured to AA1000AS (2008). We note the recommendations of the Task Force on Climate Related Financial Disclosures and aim to incorporate these as part of future reporting in this area.

We are pleased to report that in 2018 we have surpassed our 2020 carbon target, a year ahead of schedule, with a 16.4% reduction versus our 2013 base year. These savings have been delivered through an ongoing focus on energy efficiency and the delivery of capital projects with significant carbon reduction potential.

Using Water Efficiently

Water plays a critical role in our business from the production of our raw materials to the manufacture and use of our final products. There is increasing pressure on this shared resource and by 2025, the UN estimates that two-thirds of the global population could be living under water stress conditions.

We strive to manage our water use as efficiently as possible, especially in water stressed areas and our stated goal is to reduce the amount of water we use by 7% by 2020, versus a 2013 baseline. We also ensure that we protect natural water sources by meeting local requirements around waste water that leaves our sites.

In 2018, we made further progress against our target with a 6.6% reduction in water intensity, delivering close to our 2020 goal. In 2019, we will continue to pursue opportunities for greater water efficiency to ensure we meet our 2020 reduction target.

Notes:
1. Our measurement and target performance is of Scope 1 & 2 emissions from our manufacturing facilities. This accounts for 98% of Kerry Group’s Scope 1 & 2 emissions.
2. The GHG Protocol sets the global standard for how to measure, manage and report greenhouse gas emissions.
3. Kerry’s actual performance has been adjusted to reflect like-for-like performance compared to our baseline year. We use the Novem Methodology for carbon reporting to adjust our baseline target reduction number in order to account for changes to product mix that have had a material effect on carbon intensity.

Jacobs Summary Assurance Statement

Jacobs has assured Kerry’s greenhouse gas performance data (Scope 1/Scope 2 emissions and selected Scope 3 emissions) as well as water withdrawal and discharge data from its manufacturing facilities for 2018 in accordance with AA1000AS (2008). Jacobs evaluated the systems and processes used to collate and report the greenhouse gas, water withdrawal and water discharge performance data. Jacobs has been able to obtain a moderate level of assurance for the data reported in the Group Annual Report 2018.

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With the aid of this tool, we have identified nine locations globally that are priority water sites. We maintain a careful focus on water use at these facilities and our efficiency across these locations significantly exceeds that for the Group. We understand however that absolute water withdrawal is the key metric in these locations and across relevant sites we continue to make progress in reducing these volumes. In 2018, total water withdrawals across the nine sites reduced by 24.6% versus our 2013 base year.

Across our sites we are exploring ways to reduce, reuse and recycle materials. Where we do generate waste material, we seek to find ways in which this can be utilised elsewhere. In 2018, 90% of this waste was diverted from landfill and towards other productive uses. This represents an increase of 3% of waste sent to landfill versus 2017, however, this increase is due largely to a correction to waste classifications at one site. Overall, we have reduced waste to landfill by 30.2% versus our 2013 base year.

**Generating Less Waste**

The current linear production model of ‘take-make-dispose’ is one that fails to adequately capture the full value of resources. As global population and income levels rise, pressure on natural resources continues to grow. For companies to operate more sustainably and to ensure continued access to the raw materials required, there is a clear need for a transition to a more circular economy.

At Kerry, we continue to make excellent progress on waste reduction having set ourselves a goal of a 12% reduction by 2020, versus a 2013 base year. In 2017, we surpassed that target and last year we continued the momentum, realising a 22.7% reduction against our 2013 base year. We remain committed to further reducing our waste volumes as we enter the final year of our programme and we continue to look at how we can capture greater value from these waste streams.

### Plastic Packaging

Plastics play a critical role in the food industry, particularly for product protection and extending shelf life. However, the use of plastics has become a key issue for consumers, customers and regulators, as public consciousness grows about the long term impacts of plastics on the natural environment. As a producer of branded goods and private label, our consumer foods division, Kerry Foods, use plastic packaging in their customer offerings. In 2018, Kerry Foods undertook significant work to understand their plastics footprint and through membership of the UK Plastics Pact, has set a target for 100% of its plastic packaging to be reusable, recyclable or compostable by 2025.

At Kerry, we also maintain a close focus on food waste and we are a supporter of the Champions 12.3 initiative through our Kerry Foods business. The initiative aims to halve food waste by 2030 and in 2018, Kerry Foods published its first food waste data ahead of the second annual Champions 12.3 event in New York in September. This event brought together leaders from across business, government and civil society to help accelerate progress towards achieving this goal.
As in many industries, the food industry faces a variety of challenges keeping up with the unprecedented pace of change. Driven by consumer trends, changing demographics and the ever-increasing prevalence of technology, business models are evolving as the marketplace continues to shift. Growing preferences for healthier options, concerns over environmental sustainability, increased competition from challenger brands and alternative food sources are creating a new dynamic within the industry.

### MARKETPLACE

<table>
<thead>
<tr>
<th>€275m</th>
<th>Spend on research, development &amp; application in 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>100%</td>
<td>Kerry manufacturing sites with GFSI certification</td>
</tr>
<tr>
<td>100%</td>
<td>Kerry manufacturing sites with Sedex membership</td>
</tr>
<tr>
<td>100%</td>
<td>Kerry milk suppliers under an accredited farm level sustainability programme</td>
</tr>
</tbody>
</table>

Consumers want to know what is in their food and beverage products. Transparency is increasingly being demanded around how ingredients have been produced and the implications for people and the planet. At Kerry, our impact extends from the raw materials we source right through to the product’s effect on the end consumer. Our marketplace goal is to deliver the highest quality products and use our position in the value chain to contribute positively to the health and sustainability of consumer diets.

Our Marketplace activities contribute to the achievement of the following UN Sustainable Development Goals.
Health & Nutrition

According to the World Health Organisation, 71% of global deaths are attributable to non-communicable diseases and with unhealthy diets identified as one of four primary risk factors, there is a growing level of scrutiny on how food and beverage products impact wellbeing. With almost 40% of adults overweight, it’s evident that current diets and lifestyle are increasingly implicated in a range of chronic conditions.

Amid growing awareness of the link between diet and health, there is increasing demand from consumers for products that they can trust to maintain and enhance wellbeing. As the world’s leading Taste & Nutrition company, we are ideally placed to support our customers in the development of healthier, clean label product offerings that meet these changing consumer expectations, while continuing to deliver the same authentic taste of firm favourites and satisfying the demand for new and exciting flavours.

Clean Label

We have the industry’s leading portfolio of taste and nutrition technologies and our product development and innovation work brings together Kerry’s unrivalled global capabilities to develop market leading solutions based on local needs and taste preferences. We lead the industry with our investment in Research, Development and Application. In 2018, we invested a further €275 million in this area to ensure we continue to shape the future of food. For more see Our Markets page 24.

Creating Sustainable Solutions

<table>
<thead>
<tr>
<th>TasteSense™</th>
<th>Clean Smoke</th>
<th>Plant Protein</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Better for you, naturally.</strong></td>
<td><strong>Natural Flavour. Pure &amp; Simple.</strong></td>
<td><strong>Good for you and for the planet.</strong></td>
</tr>
<tr>
<td>Consumers want healthier food and beverage options, but reformulation can negatively impact taste.</td>
<td>With a proprietary process using only wood, heat, water and filtration, condensed natural smoke is 100% natural and completely chemical-free.</td>
<td>Consumers are interested in dietary choice as evidenced by growing trends such as veganism and interest in more sustainable foods and beverages.</td>
</tr>
<tr>
<td>Our TasteSense™ portfolio helps customers remove undesirable ingredients (sugar, salt) from their products, replacing them with healthier options that preserve aroma, flavour and texture, while delivering a clean label solution.</td>
<td>We capture the healthy and flavourful parts of the smoke, and use the tar and charcoal filtered out during the production process to run our plant instead of using fossil fuels.</td>
<td>We combine taste, nutrition and functionality across plant protein sources to create easy-to-use, high protein solutions with a lower environmental footprint.</td>
</tr>
</tbody>
</table>

150+
The KHNI has published 150+ articles, 13 White Papers and hosted 6 specialised webinars since 2016

We continue to work with others to support Kerry’s leadership position and are engaged with external centres of expertise, through which we share and acquire new knowledge. The Kerry Health and Nutrition Institute (KHNI) has established itself as a leading source of thought leadership in the area of diet and health. In 2018, KHNI published more than 60 articles and ran a highly successful webinar series attended by the world’s top 10 food and beverage companies.

Kerry Foods’ ‘Better For You’ Programme

Within our consumer foods division, Kerry Foods, we continue to look at how to improve our branded products through the ‘Better For You’ Programme. The primary focus of the programme is to reduce calories, saturated fat, sugars, salt and add positive nutrition as appropriate, without compromising on taste.

Following on from previous reformulation work and in line with Public Health England’s (PHE) reformulation targets, in 2018 we achieved a 13% reduction in salt in our Richmond sausage brand and building on the 5% sugar reduction achieved within the yoghurt category in 2017, we continue to reduce sugar to meet the PHE’s 2020 sugar reformulation targets.

Building on previous reformulation achievements, Kerry Foods continues to explore new technologies to achieve further reformulation across its portfolio.
Ensuring Quality & Food Safety

We strive to produce safe, high quality products and have stringent food and product safety requirements in place across the Group, as outlined in our Food Safety and Quality Policy. We take a ‘farm to fork’ view that incorporates preventive controls through to horizon scanning and embedding best practice. We have rolled out a global quality management system and in 2018, 100% of our sites achieved Global Food Safety Initiative (GFSI) certification. GFSI is an industry-driven initiative that reduces food safety risks by delivering equivalence between effective food safety management systems and we leverage this platform to ensure food safety and compliance with quality standards.

Kerry also requires that its suppliers of raw materials comply with strict requirements as laid out in the Group’s Supplier Requirements Manual. In 2018, our global Supply Quality Team had a food safety verification audit footprint in 45 countries where direct materials are sourced, in line with Kerry’s annual supplier risk assessment and geographic expansion. Following the establishment of our Global Raw Material Centre of Excellence, we have created and agreed global buying specifications with strategic suppliers and continue to pursue ongoing category transformation, reducing complexity, lowering risk and increasing efficiency and supplier trust.

Like many of the sustainability challenges we face, issues around food safety and food fraud in the supply chain are not unique to Kerry. In 2018, our global Supply Quality Team worked closely with industry organisations and peers to support and influence the strategic development of global food safety standards. We participated in the review of the British Retail Consortium (BRC) Global Food Standard and were part of a joint SSAFE (Safe Supply of Affordable Food Everywhere) and Accenture review of six global food and beverage companies, resulting in an industry best practice guide to help manage food safety in mergers and acquisitions.

Responsible Sourcing

Much of the environmental impacts associated with our products occurs in the supply chain, often at farm level. Although we do not own or operate any farms, Kerry is committed to promoting good agricultural practices and to upholding the rights of workers who help to produce our raw materials.

With a raw material spend of almost €4 billion, Kerry sources products from thousands of suppliers, providing vital support to agricultural communities around the world. However, some of the raw materials we use can present social and environmental challenges. Addressing these challenges can prove difficult within a complex and global supply chain and, where possible, we seek to work with other stakeholders on a pre-competitive basis to find common solutions.

We continue to work to improve the traceability and sustainability of our raw materials and have a focus on six strategically important raw material categories. Certification standards play an important part in demonstrating good practice, however, we also engage closely with suppliers across these six categories and work collaboratively at farm level in a number of priority areas.

- Dairy
- Vanilla
- Meat
- Herbs & Spices
- Palm Oil
- Paper Packaging

We are members of a number of important multi-stakeholder initiatives, through which we seek to work with others to advance responsible sourcing at category and industry level. These initiatives include the SAI Platform, Innovation Centre for U.S. Dairy, Sustainable Spices Initiative, Origin Green, Roundtable on Sustainable Palm Oil and the Sustainable Vanilla Initiative.
Protecting Workers in our Supply Chain

Our Supplier Code of Conduct sets out our expectation that all suppliers act ethically, honestly and in accordance with all applicable laws. It is explicit in stating our respect for internationally recognised human rights and Kerry does not tolerate the use of forced or child labour, in any operations connected with the Group.

We monitor compliance based on risk and use independent input to help determine our areas of focus. Kerry is a member of SEDEX (Supplier Ethical Data Exchange), the world’s leading collaborative platform for sharing responsible sourcing data, and we use this platform to assess our suppliers and help drive improvements in labour standards. To further support us in these efforts, we recently joined the Food Network for Ethical Trade (FNET). Established in 2016, this industry initiative aims to improve human rights in global food supply chains through a common approach to managing ethical trade.

Our 2020 goal is for all direct suppliers classified as high risk to be members of SEDEX. We continue to make good progress towards that goal with 60% of these suppliers registered in 2018. Under our Supplier Code of Conduct, Kerry reserves the right to conduct independent audits of suppliers to confirm compliance and in 2018, 20% of our high risk suppliers had independent SMETA (SEDEX Members Ethical Trade Audit) audits in place.

Promoting Sustainable Agriculture:

Palm Oil

At Kerry, we believe that working with industry partners to effect change is the best long term solution for the palm industry. As a member of the Roundtable on Sustainable Palm Oil (RSPO), we continue to pursue the sourcing of more sustainable palm oil and achieved our 2018 target of 100% physical RSPO certification across all Kerry Foods branded products.

We also published our second palm oil progress report during 2018, outlining that 96% of our volumes were sourced in accordance with the Group’s Palm Oil Policy and highlighting increased traceability for our volumes back to both the mill (98%) and plantation (48%). For more information see this progress report on www.kerrygroup.com.

Dairy

Kerry’s liquid milk suppliers use a natural, grass-based production system that is among the most carbon efficient in the world. Still, dairy production has a significant environmental footprint and Kerry’s Agribusiness division works closely with our farmers to support them in implementing more sustainable practices in areas such as grassland management, soil health, water quality and animal welfare.

100% of Kerry’s milk suppliers are certified under the Sustainable Dairy Assurance Scheme (SDAS), through which each farm is independently audited against 170 requirements. Sustainability data is assessed and every farmer is provided with a carbon footprint for their farm, together with information on what changes to farm practice could help to reduce this.

In 2018, through our membership of the Sustainable Agriculture Initiative (SAI) Platform, Kerry was also an active participant in piloting the Dairy Sustainability Framework (DSF), alongside other industry partners. Our expectation is that the DSF will provide a common approach to assessing sustainability at farm level that can support Kerry’s responsible sourcing targets for those dairy ingredients where we do not have a direct relationship with farmers.

Project Ilham

In 2018, Kerry launched a smallholder programme in collaboration with Bunge Loders Croklaan, IOI Plantation and the Fortuna mill in Sabah, Malaysia. Known as Project Ilham, or ‘Inspiration’ in the Malay language, the programme aims to support smallholder farmers to improve their yields, thereby increasing production, without the need for additional land and helping to improve the livelihoods of farm families. Our goal with the programme is to help these smallholders to increase their standard of living while introducing good agricultural practices that will help them to meet the levels required by recognised certification standards.

100% of Kerry’s milk suppliers are certified under the Sustainable Dairy Assurance Scheme (SDAS)
Meat
In 2018, we further engaged with our supply base to understand our key impact areas. With a focus on the priority issues of animal welfare, antibiotic use and sources of feed, we examined how our suppliers are currently addressing these key areas of risk. The outputs from this engagement are outlined below and confirm that we work with suppliers who employ leading farm practices and the majority have third party certification or policy commitments addressing these topics. We will continue to work with them and others to look at how further improvements can be made.

Animal Welfare and Antibiotics
- 87% 3rd Party Certified
- 13% Policy Statement

Animal Feed (Deforestation)
- 56% 3rd Party Certified
- 13% Policy Statement
- 31% Limited Action

Vanilla
In Madagascar, Kerry’s Tsara Kalitao Programme supports more sustainable vanilla production. With a focus on improving livelihoods, empowering women and educating children, the programme takes a holistic and long term approach to sustainability in the regions where we source.

At farm level, agronomists work to improve agricultural practices among farmers, helping them to progress production techniques, boost their yields and thereby increase their income. In 2018, vanilla beans produced under the programme were awarded organic certification reflecting the natural methods of cultivation.

We also look at other ways of protecting farm incomes and with the increase in the price of vanilla, the incentive for theft of beans prior to harvest has increased, reinforcing the importance of the community watch programme initiated in participating villages.

We are also focused on ensuring that children across these villages have the opportunity to stay in school and are pleased to note the increase in the level of educational attainment by children at schools participating in this element of the programme. For more information see our vanilla progress report on www.kerrygroup.com.
Herbs & Spices
Within this category we have established a programme that aims to source only from primary processors. These supply partners are chosen for their consistent high quality and reliability, their proximity to farming communities and their commitment to working in close collaboration with these farmers. Kerry is also an active member of the Sustainable Spice Initiative, a platform which aims for fully sustainable spice production and trade. Sustainably certified spices are not widely available and certification programmes are in their infancy relative to other commodities. However, in 2018 as we seek to build a more sustainable sector, we have committed to working towards 10% certified sustainable sourcing in our top 3 product categories by 2021 and to achieve or exceed 25% certified sustainable sourcing in our top 3 product categories by 2025.

Paper Packaging
Our 2020 target is to procure 90% of our fibre based packaging from sources that are certified, verified or recycled. In 2018, we exceeded that target with 93% of our volume by spend meeting these requirements. Accepted certification standards include Forest Stewardship Council (FSC), Programme for the Endorsement of Forest Certification (PEFC) and the Sustainable Forestry Initiative (SFI). Having surpassed our 2020 target, we will continue to look at how we ensure the sustainability of our remaining volumes into the future.

No Deforestation
Forests play a critical role in supporting our ecosystem and are a source of fuel and food for over a billion people, yet forests globally are under threat. According to the World Resources Institute, almost 16 million hectares of tree cover were lost in 2017. Agriculture is a leading cause of deforestation and Kerry has committed to ensuring that the raw materials we use do not contribute to further forest loss by 2025. Our no deforestation commitment is across targeted supply chains that represent a high risk of deforestation and includes meat, dairy and palm oil. We also recognise that soy production, particularly for use in animal feed, is a key risk category. In 2018, we became a member of the UK Roundtable on Responsible Soy. As part of our efforts in this category, we will examine the impacts of our direct and indirect soy purchases in more detail through 2019.

Marketing and Communications
At Kerry, we are committed to providing clear product information, which supports consumers in making healthy choices. All advertising and brand positioning conforms to national advertising codes of practice and we are conscious of the potential impact of marketing to children and young people. We provide on-pack nutritional labelling and additional information services e.g. brand websites, to help consumers make informed choices.

The Group has established best practice guidelines for nutritional labelling across our portfolio, in line with ‘Food Information to Consumers’ legislation. In addition to mandatory labelling requirements, we support the voluntary addition of front-of-pack ‘Reference Intake’ information to aid consumer choice. We also employ customer enquiry lines which are manned by experienced teams who can help respond to any additional customer requests.

A National Commitment
Origin Green is Ireland’s national food and drink sustainability programme led by Bord Bia (Irish Food Board). The programme brings together farmers, producers, retailers and foodservice operators with the goal of making Ireland a world leader in more sustainable food production.

Origin Green enables Ireland’s food industry to set and achieve measurable sustainability targets and Kerry is proud to be a founder member. As part of our Origin Green charter, we have set commitments for improvement across specified target areas including responsible sourcing, manufacturing operations and social impact.

These commitments are fully aligned with the Group’s broader sustainability goals and we continue to lead with the delivery of our programme. The independent verification of our performance under Origin Green also helps to provide further assurance around our progress on these issues.

The Origin Green programme brings together farmers, producers, retailers and foodservice operators with the goal of making Ireland a world leader in more sustainable food production.
As a global organisation, our ability to attract and retain the very best people from around the world is essential for delivering on our strategic goals. The 25,000 plus colleagues who come together within Kerry’s innovative and entrepreneurial culture are a key source of competitive advantage, and central to our ongoing success.

In an increasingly competitive landscape for talent, and amidst changing employee expectations, Kerry is focused on creating a safe and inclusive workplace, where people can thrive. We recognise that delivering on our goals requires a positive working environment, where people feel valued.

We understand the need for the appropriate policies and procedures to promote employee wellbeing, and to protect and enhance the Group’s reputation, and we know that by engaging people more fully we can realise a shared ambition for success.

Under the Workplace pillar, we are building an environment where people develop their potential and feel empowered to succeed. We do this through the way we conduct our business, reward talent, provide prospects to grow and give people the opportunity to make a difference.

Under the Workplace pillar, we contribute to the achievement of the following UN Sustainable Development Goals.

<table>
<thead>
<tr>
<th>&gt;25,000 Employees</th>
<th>Kerry’s global workforce</th>
</tr>
</thead>
<tbody>
<tr>
<td>&gt;102,000 Courses Completed</td>
<td>Learning &amp; Development</td>
</tr>
<tr>
<td>8%</td>
<td>Reduction in reported health &amp; safety incidents</td>
</tr>
<tr>
<td>100%</td>
<td>SMETA audits across sites in developing markets</td>
</tr>
</tbody>
</table>

4) Quality education
5) Gender equality
8) Decent work and economic growth
At Kerry, doing business with integrity is fundamental to the way we operate and the foundation for our long term success. Business results must always be achieved ethically and legally and the Group’s comprehensive Code of Conduct clearly defines the standards and expectations set for all Kerry colleagues. The policies behind the code provide clear guidance for our daily interactions and these policies are reviewed annually. The ongoing responsibility for their implementation rests with Group management, supported by relevant functions including HR and Internal Audit.

The Code of Conduct is made available across the Group in multiple languages and is applied to all aspects of our business. All colleagues are required to familiarise themselves with this code on joining Kerry and we mandate ongoing training through our learning academy. In 2018, 80% of all eligible colleagues had achieved Code of Conduct certification.

Where employees have concerns about business conduct, the Group provides clear guidance on how to report these. The Employee Concerns Disclosure Policy details the appropriate means of reporting alleged misconduct. It encourages employees to speak up if they believe something is not right and is clear about the protection afforded to whistleblowers. However, we understand that there can be a reluctance to report in person and so to ensure that people are comfortable in expressing their concerns, the Group operates an ethics hotline, through which employees and third parties can report an issue anonymously (www.kerrygroup.ethicspoint.com).

In 2018, we continued to monitor and investigate all reported issues via this ‘Express a Concern Service’. The majority of the concerns reported (88%) relate to internal HR issues although we continue to see third party engagement with this service. During the year, the Group’s Audit Committee reviewed the operation of this facility and confirmed to the Board that they were satisfied it was operating effectively (see page 105).

We also seek to extend our values on ethical business practice to those whom we do business with and our requirements are reflected in our Supplier Code of Conduct.

Fighting Bribery & Corruption
As part of the Group Code of Conduct, Kerry’s Anti-Bribery Policy describes our zero tolerance approach and provides guidelines to all employees regarding potential situations involving bribery. This policy, together with policies on fraud, money-laundering, fair competition and engaging with Government officials, all support Kerry’s efforts to ensure that corrupt practices do not form part of our business relationships. Internally, we ask questions on bribery and corruption of each business unit as part of the ongoing assessments undertaken by the Group’s Internal Audit Team. In 2018, no incidences of bribery or corruption were uncovered across the Group.

As a business, we are also a member of SEDEX (Supplier Ethical Data Exchange) and each of our sites globally are registered with the platform. As part of this membership, each site completes a self-assessment focused on areas aligned with our Code of Conduct, including ethical business practice. Furthermore, 75% of our sites, including all those in developing regions, are subject to an independent SMETA (SEDEX Members Ethical Trade Audit) or equivalent audit.

Upholding Human Rights
We conduct our business in a manner that respects the rights and dignity of all people. Kerry’s Global Human Rights Policy reflects our commitment to upholding internationally recognised human rights, as established in the Universal Declaration on Human Rights and the International Labour Organisation’s Core Conventions.

The Group’s Human Rights Policy applies to all Kerry employees and also sets out our expectations of business and supply chain partners to conduct their business in a way that upholds the principles set out in the policy.

The use of child or forced labour is strictly prohibited across all our operations and facilities. We do not tolerate any form of unacceptable treatment of workers and we respect all laws establishing a minimum age for employment.

We have processes in place to ensure compliance and to support implementation and monitoring of the Group’s Human Rights policy. All sites are registered with SEDEX and complete a self-assessment, which includes questions regarding young employees, forced labour and human rights. In developing regions, where there is potential for an increased risk of infringement, all of our sites are covered by independent SMETA, or equivalent, audits.

Our Supplier Code of Conduct is explicit in demanding that those who seek to do business with the Group uphold the rights of workers and expressly forbids the use of child labour, or forced or involuntary labour of any type. For more information on our engagement with suppliers in this area see our Responsible Sourcing Section on page 60.
The Group also publishes an annual Slavery and Human Trafficking Statement which is available on the Group website at www.kerrygroup.com.

**Improving Health & Safety**

Ensuring the health and safety of our employees is a priority for Kerry. Led by the Global Health, Safety and Environmental (HSE) steering team, Kerry has implemented a Group-wide Health and Safety Policy and management system that defines consistent ways of working and establishes standard requirements across each region. While calling out responsibilities and accountability at all levels, our Health and Safety Policy outlines the role for all employees to work safely and challenge any unsafe behaviour. Employees are supported by HSE personnel across our sites, who work with site managers to ensure we consistently promote a culture of Safety First, Quality Always.

We measure performance on an ongoing basis and progress reports are presented at regular intervals to the Group’s Sustainability Council. We celebrate success internally and share best practice among our sites to ensure consistent performance across all locations and regions.

As a Group, we have targeted a 5% year-on-year improvement in our health and safety metrics. In 2018, we delivered an improvement of 8%, resulting in a cumulative 30% improvement since the commencement of our Towards 2020 Programme in 2015. While this represents significant progress, we recognise that there is no acceptable level of accident or injury and so continue to strive for the safest possible working environment.

**Contributing to Wellbeing**

Given the significant time employees spend in the workplace, we know that as an employer we can play an important role in personal wellbeing beyond health and safety. At Kerry, we want to support our colleagues in leading healthier, more active lives and in 2018, we defined four key areas of support: Nutritional, Emotional, Physical and Financial. Within this global framework, we have begun to expand a number of locally relevant initiatives and promote a greater awareness around the concept of wellbeing.

Our local site wellness champions work hard to ensure that we have locally appropriate activities to support each area and our wellbeing and benefits partners offer a wide range of support such as employee assistance, advice programmes, talks and workshops, gyms, activity clubs, health screening and financial education.

**Mental Health Day**

In 2018, we recognised World Mental Health Day globally through various executive sponsored activities. At our site in Shillelagh, Ireland, 90 colleagues participated in practical training and guidance on emotional wellbeing through a partnership with a local charity ‘Talk to Tom’.

**Engaging Employees**

We aim to create a workplace where our people are challenged in their roles and have the opportunity to make a meaningful contribution to the success of the business. Employee engagement benefits both our people and the business as a whole, with outcomes shown to include higher levels of wellbeing, performance and retention.

In 2017, we conducted the first Group-wide employee engagement survey, ‘ourVoice’, providing us with a better understanding of how our people view our organisation. The results of the survey, provided an insight into areas where Kerry is doing well and also areas where there is an opportunity to improve.

Following the survey, action plan committees, consisting of our people and management representatives, were formed to identify key changes that could be made in the short, medium and long term to drive Kerry forward and make it a better place to work. In 2018, the work of these committees has been ongoing, and implementation of the action plans has been rolled out across the Group.

Example highlights of group-led activities include, our investment in new HR technology to manage our people processes more effectively and efficiently across the organisation which resulted in the launch of the ‘mySuccess’ platform in October 2018. Also, in response to an opportunity to strengthen our people leader capabilities and create greater clarity on the role of the people leader at Kerry, we have introduced a new framework and set of objectives for all people leaders, which will be reinforced through the performance management process in 2019.

In 2019, we will conduct a follow-up survey to assess the outcomes of action plans both globally and locally to continue to enhance our approach to engaging our people and improving their experience at Kerry.
Promoting Diversity, Inclusion & Belonging

As a global organisation, we understand that Diversity, Inclusion & Belonging (DiB) are essential elements for a successful workplace and since the introduction of our Global Diversity Programme in 2016, we have continued to embrace these principles for innovation and growth through attracting the best talent to our business, growing our own people and capabilities and building more agile working practices.

Our Diversity, Inclusion and Belonging Policy reinforces our focus on these areas across all Group activities, supported by our global taskforce established during 2018, to help us gain a better understanding of the issues facing the organisation and the ways in which we can take positive action on this agenda.

In addition, Kerry has taken up membership of the Irish Chapter of the 30% Club and is represented on the advisory group of an industry led Agri-food D&I Forum, led by Bord Bia and aligned with the 30% Club. As part of these partnerships, Kerry has contributed to an industry wide review on gender balance, results of which were published in an external report entitled ‘Diversity & Inclusion in the Irish Food & Drinks Sector: Women in Business’ in September 2018. This has helped to inform our continued approach to diversity, inclusion and belonging across Kerry as well as beginning to set the standards for all Irish based companies in our sector.

Other steps taken have included improved internal reporting to monitor progress of diversity and inclusion initiatives and commissioning expert research, to engage all our people in shaping further development of our wider diversity, inclusion and belonging agenda within Kerry for 2019.

Developing Talent

We believe in people with big ideas and want to provide them with opportunities to acquire the skills and professional expertise that can deliver ongoing business success and help to grow their careers. We encourage our people to take responsibility for developing their own careers through exploring new experiences and seeking opportunities that will enable them to fulfil their aspirations, whilst continuing to drive our business forward.

Kerry recognises that talent management is therefore key to enabling our people to achieve our business goals and we undertake continuous investment in colleagues, adopting a structured approach to talent management through our dedicated ‘mySuccess’ platform.

The ‘mySuccess’ platform provides a structured mechanism for our people and managers to discuss performance and career progression with ongoing feedback and coaching, as well as formal year end reviews. Training or development needs identified as a result of this two-way process are supported through the Kerry Learning Academy, which facilitates the provision of tailored and more general learning solutions across the organisation. These solutions include classroom, online and interactive content that provides instruction, stimulates discussion and encourages collaboration from structured graduate training through to leadership development programmes. In 2018, Kerry colleagues completed over 102,000 courses.

One of the opportunities identified as a result of our most recent employee engagement survey was the enhancement of our learning solutions with additional tools and resources. During 2018, we engaged with our people across the organisation, working within each of our different functions and business areas to develop a series of career frameworks. These frameworks offer step-by-step guidance for our people in developing a challenging and rewarding career within Kerry, aligned to their individual capabilities and interests. (For more, see Our People, pages 16-21).

Rewarding Performance

Compensation and benefits are a core part of our talent management strategy. We provide competitive rates of pay and ensure fair compensation practices across all our locations. Employees are rewarded in line with their individual and business performance and this includes achievements against key sustainability metrics for relevant colleagues. Compensation forms a core part of the overall employee benefits package, which is tailored to help meet a variety of short and long term needs.

> 102,000 Learning & Development courses completed
With our heritage as a cooperative, Kerry has a proud tradition of working to positively impact on the lives of those around us. We play a critical role in the lives of local communities through the value created by our business activities, the jobs we provide, the raw materials we purchase and the products we produce. However, we realise that we can have an even greater impact by working with others and harnessing the goodwill and passion of our people.

As a leader in the food industry, the key focus of our community programmes is on nourishing the lives of those who are beyond our day-to-day reach. Our flagship programmes centre on improving health and nutrition, reducing hunger and providing assistance in ways that will make a lasting difference to those most in need. With these programmes we work at multiple levels in countries and communities at different stages of development. We seek to collaborate with partners who are established locally and with whom we can work to help effect transformational change.

Through our community activities we contribute to the achievement of the following UN Sustainable Development Goals.
RAIN Programme

Realigning Agriculture to Improve Nutrition (RAIN) is a multi-disciplinary approach to tackling hunger and malnutrition in some of the world’s poorest regions. In partnership with Concern Worldwide, a leading international development agency, Kerry has previously supported the successful implementation of the RAIN Programme in the Mumbwa district of Zambia, from 2011 to 2015.

Building on the success and learnings from that programme, Kerry announced in 2018 that it would commit a further €1 million to bring a second phase of the RAIN programme to Niger, West Africa. Niger is a landlocked and largely arid state on the edge of the Sahara desert and is rated by the UN as one of the world’s least-developed nations.

The Tahoua region, where the RAIN Programme is located, is one of the most impoverished regions in Niger. Here small-scale farmers depend on rain-fed subsistence agriculture, but with erratic rainfall, pest invasion and inadequate responses to climate change, the poorest families in Tahoua exist in a state of chronic poverty.

Through the RAIN Programme, Kerry aims to build resilience within these communities and to achieve this the programme focuses on the following objectives:

- Increasing food production and diversity of nutrient-rich diet
- Promoting key health practices for improved maternal and child nutrition
- Improving access to reliable and safe water sources and sanitation
- Reducing inequalities experienced by the extreme poor and vulnerable, particularly women and girls
- Strengthening the capacity of local structures to identify issues and solutions within the community

By addressing these broader factors contributing to hunger and malnutrition, this second phase of the RAIN Programme will make a positive, long term impact on the lives of some of the world’s poorest people.

2018 marked the first of the four year implementation period and already we have begun to see the impacts. In keeping with Concern Worldwide’s ethos of working with the ‘poorest of the poor’, 1,000 extremely vulnerable households have been selected for participation across seven villages. Baseline surveys were conducted to help monitor progress and partnerships have been built with the local community and key stakeholders to promote ownership and ensure long term sustainability.

Across the key objective areas, progress has been made as follows:

Increasing food production and diversity of nutrient rich diet:
- Seventy lead farmers were trained on adoptive climate smart agriculture techniques and households were provided with short cycle bio-fortified millet seed. To diversify food production, kitchen sack gardens were established among participants enabling households to produce and consume fresh vegetables and raise extra income.

Promote key health practices for improved maternal and child nutrition
- A network of trained community volunteers were supported to conduct education and awareness raising activities and promote behaviour change around health and hygiene practices.

Improve access to reliable and safe water sources and improved sanitation
- Water management committees were established in the targeted villages and provided with hygiene kits to promote safe water management from source to consumption. Monthly awareness sessions were conducted to improve hygiene practices.

Reduce inequalities experienced by the extreme poor and vulnerable, particularly women and girls
- Community level inter-generational and gender dialogues were introduced in all seven villages. Other awareness raising and sensitisation activities were conducted to help change prevailing social norms and redress gender based inequalities.

Strengthen the capacity of local structures to identify issues and solutions within the community
- Collaborative agreements were put in place with relevant government departments and seven Community Early Warning and Emergency Response Committees were established across the targeted villages with support from regional and village authorities.
**World Food Programme**

Kerry is the first Irish company to partner with the World Food Programme (WFP), the food assistance branch of the United Nations and the world’s leading humanitarian organisation fighting hunger. Together, our pioneering three-year partnership, ‘Project Leche’, is piloting the safe and sustainable inclusion of dairy products within WFP’s Home Grown School Meals (HGSM) Programme in Choluteca, in the dry corridor of Honduras.

Honduras is one of the poorest countries in Latin America, where one in four children suffer chronic malnutrition. Here Kerry’s expertise in nutrition and sustainable dairy production is supporting small communities to overcome food security concerns and improve nutrition.

Project Leche aims to support the work of WFP and the HGSM programme through 3 key objectives, namely:

- Improve the nutritional value of school meals by increasing the dairy component.
- Create a sustainable local milk supply with enhanced quality and quantity thereby providing market access for smallholder farmers.
- Increase nutritional awareness amongst children, teachers and parents.

The second year of Project Leche successfully concluded in 2018, with improvements in the student’s nutrition, the livelihoods of smallholder farmers and the improvement of healthy eating practices amongst the wider community. As part of the project, Kerry Agribusiness brought a number of Honduran farmers to Ireland in April 2018, and with the support of our milk suppliers, demonstrated and shared best practice milk production. Through this peer-to-peer platform, we aimed to illustrate practical examples of where improvements can be made on Honduran farms and the potential benefits these could bring.

### Impact in 2018

<table>
<thead>
<tr>
<th>Nutritional Impact</th>
<th>Sustainable Milk Production</th>
<th>Education &amp; Awareness</th>
</tr>
</thead>
<tbody>
<tr>
<td>16% decrease in rates of stunting.</td>
<td>Collaboration and exchange of learnings amongst smallholder producer associations, marking a 40% increase in activity.</td>
<td>121 mothers participating in School Feeding Committees received training on nutrition, food hygiene and preparation.</td>
</tr>
<tr>
<td>Severe and moderate wasting rates reduced from 8.1% to 1.5%.</td>
<td>Increases in milk production in both the summer and winter seasons with volumes up 33% and 18% respectively, versus baseline.</td>
<td>208 teachers have received nutrition and awareness training, empowering them with the skills and knowledge to educate children on healthier eating.</td>
</tr>
<tr>
<td>8% decrease in the presence of intestinal parasites amongst participating students.</td>
<td>A selection of farmers, identified as Monitor Producers have seen a collective increase in income of $1,200 per year. Monitor Producers act as leaders in best practices and facilitate training amongst the wider farming community.</td>
<td>Teacher and community networks have been established leading to greater knowledge and awareness, contributing towards a cycle of healthier eating in schools and at home.</td>
</tr>
</tbody>
</table>
Noon Foundation

Our Kerry Foods division is the leading UK producer of authentic, convenient Indian cuisine and has close ties to India through the late Lord Gulam Noon, British based businessman and founder of Noon Products, which is a Kerry business.

Prior to his death in 2015, Lord Noon had founded the Noon Foundation, through which the Noon Hospital and Research Centre was established. The hospital in Rajasthan, India, provides essential medical services for rural communities which would otherwise lack access to quality healthcare. The comprehensive facility provides world-class services with state-of-the-art operating theatres, an intensive care unit, neonatal ICU and eye department and boasts highly skilled staff.

In partnership with the Noon Memorial Legacy Trust, Kerry agreed to support the development of the hospital in 2016 and to enable the expansion of the services it provides. As part of a five year programme of support, in March 2018, Kerry was delighted to officially open a fourth wing at the hospital focusing on eye care.

India is home to the world’s largest population of blind people and the difficulty of losing vision is exacerbated by the fact that once blind, many lose their livelihoods forcing them, and often their families, into a life of poverty. However, in many instances blindness is preventable with timely access to the right treatment. Critically for Kerry, the Noon Hospital provides healthcare on the basis of need rather than ability to pay, and offers those in the surrounding region access to the high quality treatment they require.

The new ‘Kerry Wing’ houses the hospital’s ophthalmic department, which treats a variety of health issues, including glaucoma, blindness, trachoma and cataracts and is accredited by the state Government through the District Blindness Control Society for prevention of blindness.

Since opening its doors in March, this new centre of excellence for eye care has treated almost 18,000 patients, and has allowed for a 20% increase in surgeries, including a 70% increase in cataract surgeries, provided for free to those most in need.

Connecting People

At Kerry, we are a community of over 25,000 committed and passionate individuals and under our community pillar, we want to encourage our people to take the opportunity to engage with the communities around them.

To support this, the Kerry Volunteer Programme provides paid leave for colleagues who want to engage in local community programmes. Many employees have already availed of the opportunity, often alongside their colleagues, and we hope to substantially grow the number and impact of Kerry volunteers over time.

Our local community initiatives span a broad range of activities and include enterprise, education, arts, sport and community development. With local ownership, each of our sites has the opportunity to select and engage with activities that make a difference to their local communities.

Special Olympics

One community programme that has captured the imagination of our colleagues has been our two-year partnership with the Special Olympics announced in 2018 and launched in the UK, Ireland, The Netherlands and Poland.

The mission of Special Olympics is to provide year-round sports training and athletic competition in a variety of Olympic-type sports for children and adults with intellectual disabilities, giving them continuing opportunities to develop physical fitness, demonstrate courage, experience joy and participate in a sharing of gifts, skills and friendship with their families, other Special Olympics athletes and the community. This aligns with our desire at Kerry to support the inclusion of people with intellectual disabilities in our local communities.

18,000
The ‘Kerry Wing’ of the Noon hospital has treated almost 18,000 patients

2 Year
Special Olympics
2 year partnership to support athletes
We are delighted that throughout 2018 our people have fully embraced all opportunities to volunteer at Special Olympics events around our partner countries. At the Ireland Games in June, and the Great Britain games in August, we supported a total of 120 Kerry volunteers. In addition, our Kerry volunteers have been fundraising, mentoring athletes and developing their leadership skills through joint problem-solving with the Special Olympics Board in Great Britain.

In recognition of the dedication and commitment shown by our people to this partnership this year, we will be offering a unique opportunity for Kerry volunteers to attend the World Games in Abu Dhabi, in March 2019. In addition, we are planning to leverage our Kerry expertise in food and nutrition in partnership with the Special Olympic country boards, to offer advice and support at a grass roots level to athletes and their families on nutrition and healthy eating.

**Sport**

We believe that sport can play an important part in a healthy active lifestyle, helping bring communities together and promoting both physical and mental wellbeing. Kerry are proud supporters of many amateur sports including all Kerry county GAA teams, Rás Mumhan, Ireland’s premier international amateur cycling event, and local community games which encourage children in a range of sporting disciplines.

We also continue to support the Kerry Sports Academy at the Institute of Technology Tralee, Ireland. Scheduled to open in 2019, it will be home to the UNESCO Chair in Inclusive Physical Education, Sport Fitness and Recreation and CARA, the National Centre for Adapted Physical Activity.

**Community Development**

Enterprise plays a key role in maintaining strong and vibrant communities, however, the increasing trend towards urbanisation poses a serious challenge for many rural locations. In Ireland, we are founder members of the Kerry SciTech initiative, which aims to link talented individuals with exciting opportunities across a range of startups and more established companies in the south west region.

We also know that not-for-profit organisations play a vital part in community life and we are proud supporters of numerous charities. We understand their reliance on volunteers who undertake much of the unseen work and as well as our financial assistance, we are proud that Kerry colleagues help make such an impact.

**Habitat for Humanity**

In 2018 our Crossville, Tennessee, site in North America partnered with the Cumberland County Habitat for Humanity, an organisation that provides families in need with safe, affordable homes. As part of the process, future homeowners work alongside volunteers and other Habitat homeowners on everything from preparing the building site to construction in order to build ‘sweat equity’ in their new home and invest in their long term success.

**Support for the Arts**

In Southwest Ireland, where the Group is headquartered, we are a key contributor to the local arts. We are proud to sponsor the internationally acclaimed literary festival ‘Listowel Writers Week’, including the festival’s top prize ‘The Kerry Group Novel of the Year’.

We are also corporate sponsor to Ireland’s National Folk Theatre, Siamsa Tire, an organisation that helps keep Irish folk traditions alive through production and training of young people in the traditional arts.

**Education**

We understand the importance of education in promoting economic opportunities and as an organisation we offer a number of scholarships across our regions each year. In Malaysia, Kerry has supported primary school children in providing back to school packs, computers for schools and partnering with WWF (World Wildlife Fund) to organise an Eco-Schools Training Programme. Our sustainable vanilla programme in Madagascar also has a key focus on education (see page 62).

We are sponsors of the Origin Green Ambassador Programme, through which 10 talented individuals are selected to complete an MSc in Business Sustainability. The programme is designed to help equip businesses for the sustainability challenges that lie ahead by growing the expertise and pool of talent within our industry. Kerry is also a supporter of post-doctoral research across the humanities and sciences through University College Dublin's Newman Fellowship Programme.