



KERRY GROUP

Palm Oil Supply Chain-FGV Holdings Berhad (FGV)

With regard to the recent decision by the Complaints Panel (CP) of the Roundtable on Sustainable Palm Oil (RSPO), issued on 28th November 2018 for FGV Holdings Berhad (FGV), Kerry wishes to advise the following:

As a business, we are fully committed to upholding human rights, both within our direct operations and across our supply chain. Our Supplier Code of Conduct clearly outlines our expectations in this regard and is applicable to any 3rd party doing business with the Group. Kerry is not directly involved in the production of palm oil and the Group's palm oil policy sets out detailed requirements relating to the responsible sourcing of this product. We continue to work with our suppliers to secure traceability for all our palm oil volumes.

We continuously engage with suppliers to ensure they understand our commitments and when we become aware of any violation of our Code of Conduct or Palm Oil Policy, we ensure they provide us with details of corrective actions being taken to address the issues raised. Where the concerns are not adequately addressed we take all necessary steps, up to and including the removal of the supplier from our supply chain

FGV Holdings Berhad (FGV) is part of the Kerry supply chain. FGV has confirmed it is taking immediate measures to address all the issues raised by the RSPO CP as expeditiously as possible. The RSPO is an important stakeholder and FGV is, according to their [statement](#), committed to full compliance with all its Principles and Criteria.

Over the past year following accusations of labour violations, FGV has demonstrated progress by completing a thorough assessment of its own operations and investing in resources to carry out implementation. FGV has been transparent with communicating their progress with their stakeholders by publicly publishing their [action plan](#).

Kerry is fully committed to the highest standards of ethical behaviour, to fulfilling our responsibilities to the communities which we serve and to the creation of long-term value for all stakeholders on a socially and environmentally sustainable basis. We will closely monitor FGV's progress over the next 3 months and decide if any further action is needed.

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7th December, 2018

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