Modern Slavery and Human Trafficking Statement

As a Group, we employ over 25,000 people and are committed to upholding the rights of workers. Modern slavery and human trafficking are unacceptable practices that exploit some of the most vulnerable people and Kerry supports all efforts to eradicate these and other human rights abuses from international business and global supply chains.

Our Business
At Kerry Group, we provide the largest, most innovative portfolio of Taste & Nutrition technologies and systems and Functional Ingredients and Actives for the global food, beverage and pharmaceutical industries. Our consumer foods division, Kerry Foods, is also a leading consumer foods processor and supplier in selected EU markets. Kerry’s Agribusiness division works closely with our milk suppliers in Ireland, ensuring the efficient production of high-quality milk as a source of premium quality, sustainably produced dairy and nutritional products.

We operate across 147 manufacturing locations globally and have sales in over 140 countries. Kerry Ingredients (UK) Limited (Taste & Nutrition) and Kerry Foods (UK) Limited (Consumer Foods) are wholly owned subsidiaries of Kerry Group plc and are our main operating entities in the UK.

Our Supply Chain
As a global organisation, Kerry Group sources raw materials from over ten thousand suppliers around the world and through our Agribusiness division we have a direct contractual relationship with more than 3,000 dairy farmers in South West Ireland.

One of the key priorities of the Group’s sustainability programme, ‘Towards 2020’, is to ensure our suppliers conduct their business in a responsible and ethical manner.

In pursuit of our responsible sourcing goals, we have a detailed supplier Code of Conduct which outlines the minimum standards we expect from providers of goods and services to Kerry. We keep this Code under ongoing review, to robustly protect the rights of workers within our supply chain and it is explicit in directing that forced or involuntary labour shall not be permitted.

Where suppliers are found to have contravened the requirements set out in this Code, Kerry Group reserves the right to terminate any associated agreement or business relationship.

We are also a member of a number of industry initiatives and multi-stakeholder platforms that seek to advance responsible sourcing practices, including the promotion of fair labour standards.

Our Policies
At Kerry, we adopt a zero-tolerance approach towards the use of forced, bonded, indentured or involuntary labour in our own operations or in any activities connected with the Group. The Kerry Group mission statement guides our business activities and sets out our commitment to acting responsibly and in the interest of all our stakeholders:

“We are committed to the highest standards of business and 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.”

To ensure clarity on the issue of labour standards, there are a number of key policies that set out the requirements of those within the organisation and those whom we seek to do business with. These include the following:

- The Kerry Group Code of Conduct sets out the high ethical standards which we demand from all colleagues in carrying out our day to day operations.
- Our Human Rights Policy is informed by the UN declaration on human rights and affirms our commitment to upholding internationally recognised human rights.
- Our No Child or Forced Labour Policy explicitly prohibits the use of child or forced labour within our operations or those of anyone connected with the Group.
- Kerry’s Supplier Code of Conduct informs our supplier community of the ethical
standards which Kerry demands from those who seek to do business with the Group and embeds the requirements of many of our policies within the business relationship.

Monitoring and Compliance
As a Group, we have the relevant structures in place across our global operations to appropriately manage labour issues. We use internal assessments and independent audits of our facilities to ensure that forced or involuntary labour is not employed at our sites. Our policies are communicated and available to all employees and we have an independent platform available in multiple languages to allow for the anonymous reporting of concerns.

http://www.kerrygroup.ethicspoint.com/

Within our supply chain, supply chain, our Supplier Code of Conduct and Supplier Requirements Manual are communicated to all our direct suppliers. We adopt a targeted approach to monitoring compliance based on risk. In this way, we can focus our efforts on those suppliers where the potential for slavery and human trafficking is greatest. Our risk assessment is undertaken using internal knowledge and independent external tools that assess both geographic and commodity specific risk.

As a member of SEDEX (Supplier Ethical Data Exchange), we report our site data to other stakeholders and similarly, we use this platform to help assess our own supplier performance. Our goal is to have all high-risk suppliers registered on SEDEX by 2020 and by year end 2018, 60% of these suppliers had been registered, an increase of 20% on the number registered in 2017.

Once registered, we seek to engage further with these suppliers on assessment through the platform. Following assessment, if there is concern regarding levels of compliance, Kerry works with third parties to further evaluate performance. In 2018, 20% of our high-risk suppliers had an independent SMETA audit in place.

To give an opportunity for reporting of concerns to those within our supply chain, our independent ethics hotline is also available to our suppliers and their workers. In 2018, we had no reports of trafficking or modern slavery received through this service.

Communication and Training
In 2018, we continued to engage with those suppliers deemed ‘higher risk’ to inform them of requirements to satisfy Kerry’s expectations. Internally, Kerry continues to make its policies available online to employees, communicating on any relevant changes or updates. Details of our Supplier Requirements Manual and Supplier Code of Conduct are also shared with colleagues through our award winning ‘mykerry’ platform.

In addition, mandatory training for colleagues on the Group’s Code of Conduct is delivered through our Learning Management System. This training covers the key elements of our Group Code of Conduct, which includes our commitment to upholding human rights.

In 2018, we engaged with the Food Network for Ethical Trade (FNET) in the UK and Kerry is now a member of this Network. With the objective of improving human rights in global food supply chains, FNET supports Kerry’s ambition in this area by facilitating opportunities for collaboration and providing a forum for sharing issues, tools and best practice.

Approval for this Statement
This statement is made pursuant to section 54(1) of the Modern Slavery Act 2015 and has been approved by the board of our UK legal entities on 28 of June 2019.

Ronan Deasy,
Director
Kerry Foods (UK) Limited
Kerry Ingredients (UK) Limited