Attendance at Meeting

Attached to the Proxy Form is an Attendance Card which should be brought with you to the meeting to ensure ease of admission. Failure to bring this card may result in you being asked to provide identification (Passport or Driving Licence) in order to gain entry to the meeting and access may be delayed or refused as a result.

Kerry Group plc

Notice of Annual General Meeting 2013

The Brandon Hotel, Tralee, Co Kerry, Ireland
Wednesday 1 May 2013 at 2pm

This document is important and requires your immediate attention. If you are in any doubt about the course of action to take you should consult your stockbroker, bank manager, solicitor, accountant or other professional adviser.

If you have sold all your shares in Kerry Group plc please forward this document to the agent through whom the sale was effected for transmission to the purchaser.

Kerry Group plc Notice of Annual General Meeting

To each member

Notice is hereby given that the Annual General Meeting of Kerry Group plc will be held at the Brandon Hotel, Tralee, Co Kerry on Wednesday 1 May 2013 at 2pm for the following purposes:

As Ordinary Business

1. *To receive and consider the accounts for the year ended 31 December 2012 and the Directors' and Auditors' Reports thereon.*
2. *To declare a final dividend as recommended by the Directors.*
3. *To re-elect Mr Sean Bugler who was appointed to the Board since the previous Annual General Meeting and who, in accordance with Article 102 of the Articles of Association of the Company, retires and offers himself for re-election.*
4. *To re-elect the following Directors who retire by annual rotation and who, being eligible, offer themselves for re-election*

(a) Mr Denis Buckley
(b) Mr Gerry Behan
(c) Mr Kieran Breen
(d) Mr Denis Carroll
(e) Mr Michael Dowling
(f) Mr Patrick G. Flahive
(g) Ms Joan Garahy
(h) Mr Flor Healy
(i) Mr James Kenny
(j) Mr Stan McCarthy
(k) Mr Brian Mehigan
(l) Mr Gerard O'Hanlon
(m) Mr Michael Teahan
(n) Mr Philip Toomey
(o) Mr Denis Wallis

5. *To authorise the Directors to fix the remuneration of the Auditors.*

As Special Business

6. *To consider and, if thought fit, pass the following ordinary resolution:*

   To receive and consider the Remuneration Report for the year ended 31 December 2012.

7. *To consider and, if thought fit, pass the following ordinary resolution:*

   That the Directors are hereby generally and unconditionally authorised to exercise all the powers of the Company to allot relevant securities within the meaning of Section 20 of the Companies (Amendment) Act, 1983. The maximum amount of the relevant securities which may be allotted under the authority hereby conferred shall be 17,000,000 unissued A Ordinary Shares in the capital of the Company.The authority hereby conferred shall expire on 1 August 2014 unless and to the extent that such authority is renewed, revoked or extended prior to such date. The Company may before such expiry make an offer or agreement which would or might require relevant securities to be allotted after such expiry and the Directors may allot relevant securities in pursuance of such offer or agreement, notwithstanding that the authority hereby conferred has expired.

8. *To consider and, if thought fit, pass the following special resolution:*

   That the Directors are hereby empowered pursuant to Sections 23 and 24 (1) of the Companies (Amendment) Act, 1983 to allot equity securities within the meaning of the said Section 23 for cash as if Section 23(1) of the said Act did not apply to any such allotment provided that this power shall expire on 1 August 2014 unless and to the extent that such authority is renewed, revoked or extended prior to such date, save that the Company may before such expiry make an offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such an offer or agreement as if the power conferred by this paragraph had not expired and provided that the maximum amount of equity securities (within the meaning of the said Section 23) which may be allotted under this authority shall not exceed in aggregate the equivalent of 5% of the issued A Ordinary Share Capital of the Company at the date hereof.

9. *To consider, and, if thought fit, pass the following special resolution:*

   That the Company be and is hereby authorised to purchase A Ordinary shares on the market (as defined in Section 212 of the Companies Act 1990), in the manner provided for and within the price ranges set out in Article 13A of the Articles of Association of the Company, up to a maximum of 5% of the A Ordinary shares in issue at the date of the passing of this resolution. This authority shall expire at the close of business on the date of the Annual General Meeting in 2014.

10. *To consider and, if thought fit, pass the following ordinary resolution:*

   That approval be and is hereby given to the establishment by the Company of the Kerry Group plc 2013 Long Term Incentive Plan, the principal features of which are summarised in the Letter from the Chairman dated 3 April 2013 which accompanies the Notice convening this Meeting, the rules of which are contained in the document produced to the meeting and signed by the Chairman of the Meeting for the purposes of identification and that the Directors be and are hereby authorised to:

(a) take all such action as may be necessary to implement or give effect to the Plan;

(b) establish further plans based on the Kerry Group plc 2013 Long Term Incentive Plan but modified to take account of local tax, exchange control or securities law in overseas territories, provided that such further plans shall count against any limits on individual participation under the Plan.

11. *To consider and, if thought fit, pass the following special resolution:*

   That the articles of Association be and are hereby amended by the deletion of Regulation 95(h) therein.

By order of the Board
Brian Durran
Group Secretary

Registered Office: Prince's Street, Tralee, Co Kerry, Ireland
3 April 2013

Notes:

(a) Every member of the Company entitled to attend and vote at the above meeting may appoint a proxy (who need not be a member of the Company) to attend, speak and vote on his/her behalf. For this purpose an instrument of proxy is enclosed with the notice. Shareholders may also cast their vote(s) electronically and the procedure for this is set out in this letter and in the notes contained in the proxy form accompanying this letter. Appointment of a proxy will not preclude a member from attending and voting at the meeting.

(b) There are no contracts of service which are required to be available for inspection at the meeting.

(c) The Registers required to be maintained by the Company under Section 59 and 80 of the Companies Act, 1990 will be available for inspection to any person attending the Annual General Meeting for fifteen minutes prior to and until the conclusion of the meeting.

(d) Copies of the Directors' appointment letters will be available for inspection to any person attending the Annual General Meeting for fifteen minutes prior to and until the conclusion of the meeting.

Kerry Group plc Letter from the Chairman to Shareholders

3 April 2013

Dear Shareholder

Please find enclosed a copy of the 2012 Annual Report together with Proxy form, Attendance Card and the Notice convening the Annual General Meeting of the Company to be held at the Brandon Hotel on Wednesday 1 May 2013 at 2pm. The purpose of this letter is to explain the various resolutions to be considered by shareholders at the meeting.

Ordinary Business

1. *Report and Accounts*

   This is a resolution to consider the audited financial statements of the Company for the year ended 31 December 2012.

2. *Dividend*

   The Board has recommended a final dividend of 25 cent per share which is in addition to the interim dividend of 10.8 cent per share paid in November 2012. Subject to approval by shareholders at the AGM the final dividend will be paid on 10 May 2013 to shareholders registered on the record date 12 April 2013.

3. *Re-election of Mr Sean Bugler*

   Mr Sean Bugler was appointed to the Board since the previous AGM. Under the provisions of Article 102 of the Company's Articles of Association he is required to retire at the forthcoming Annual General Meeting at which he will be offering himself for re-election.

4. *Re-election of (a) Mr Denis Buckley, (b) Mr Gerry Behan, (c) Mr Kieran Breen, (d) Mr Denis Carroll, (e) Mr Michael Dowling, (f) Mr Patrick G. Flahive, (g) Ms Joan Garahy, (h) Mr Flor Healy, (i) Mr James Kenny, (j) Mr Stan McCarthy, (k) Mr Brian Mehigan, (l) Mr Gerard O'Hanlon, (m) Mr Michael Teahan, (n) Mr Philip Toomey, (o) Mr Denis Wallis.*

   In accordance with the provisions of the UK Corporate Governance Code the aforementioned Directors are required to retire by rotation at the AGM and, being eligible, they are offering themselves for re-election. The performance of all Directors has been formally evaluated and the Board considers that the performance of each continues to be effective and they individually demonstrate commitment to their roles as Directors.

   The biographical details of the Directors, the subject of re-election, are set out in the Annual Report. The Board recommends the re-election of all Directors seeking re-election.

5. *To authorise the Directors to fix the remuneration of the Auditors*

   This is a resolution authorising the Board to fix the remuneration of the Auditors in line with agreed terms of engagement as approved by the Audit Committee.

Special Business

6. *Remuneration Report (Ordinary Resolution)*

   Resolution 6 is to receive and consider the Remuneration Report as set out on pages 60 to 71 in the Annual Report. The resolution is an advisory resolution only and is being put to shareholders in accordance with the Company's commitment to best corporate governance practice.

7. *Section 20 Authority to allot shares (Ordinary Resolution)*

   This resolution proposes to grant authority to the Board of Directors to allot shares in the Company up to a maximum of 17,000,000 shares which authority shall expire on the 1 August 2014 unless and to the extent that it is renewed, revoked or extended prior to such date.

8. *Disapplication of pre-emption rights (Special Resolution)*

   This resolution proposes to renew the power given to the Board of Directors to allot shares in the Company for cash on a non pro-rata basis should it so decide provided that the maximum number of shares to be allotted under the authority shall not exceed in aggregate the equivalent of 5% of the issued ordinary shares at the date the resolution is passed.

   The authority shall likewise expire on the 1 August 2014 unless and to the extent that it is renewed, revoked or extended prior to that date.

9. *Purchase of own shares (Special Resolution)*

   This resolution proposes to grant authority to the Company to make market purchases of its own shares in accordance with the provisions and at the price ranges contained in the Company's Articles of Association. The authority will expire on the date of the Annual General Meeting in 2014. The maximum amount of shares that may be purchased by the Company under this authority is 5% of the issued share capital at the date of the passing of the resolution.

10. *Adoption of Kerry Group plc 2013 Long Term Incentive Plan (Ordinary Resolution)*

    During 2012, the Remuneration Committee carried out a comprehensive review of management remuneration to ensure that the Company's arrangements were aligned with its business strategy and current best practice in Ireland and in the various jurisdictions in which it now operates. The Committee was advised by independent consultants Towers Watson. One of the main conclusions of the review was that the package in total and, in particular, the incentive plans, should be aligned with the Company's strategy. The Committee concluded that the primary vehicle for longer-term motivation of management should be in the form of share awards. The new Kerry Group plc 2013 Long Term Incentive Plan (the "LTIP") has been designed to strengthen the link between individual reward and the Company's performance. The Directors are therefore seeking authority from shareholders to adopt the LTIP, whose principal terms are summarized in the Appendix to this letter. The Directors are also seeking authority to be empowered to do all things that they consider necessary to implement the LTIP, including the ability to adopt further plans based on it in order to make awards to employees outside Ireland. Copies of the rules of the LTIP may be inspected at the offices of Kerry Group plc, in Prince's Street, Tralee, Co Kerry during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) from the date of this document up to and including the conclusion of the Annual General Meeting. The company discussed the proposals with key shareholders, received positive feedback and, in particular, the Irish Association of Investment Managers provided their approval to the proposals.

11. *To approve a proposed amendment to the Articles of Association of the Company (Special Resolution)*

    Regulation 95(h) disqualifies any Director of the Company (who is also a Director of Kerry Co-operative Creameries Ltd) from continuing to act as a Board member if he/she ceases to be a Director of Kerry Co-operative Creameries Ltd. It is proposed to delete this regulation.

The Directors believe that the resolutions to be proposed at the meeting are in the best interests of the Company and its shareholders as a whole and recommend that you vote in favour of the resolutions. The Directors intend to vote in favour of the resolutions in respect of their own beneficial holdings of A Ordinary Shares, amounting in total, at 1 March 2013, to 501,838 A Ordinary Shares, representing approximately 0.28% of the issued A Ordinary share capital of the Company.

Should you have any queries in relation to the contents of the correspondence enclosed please contact:

Kerry Group plc
Share Registration Department
Prince's Street
Tralee
Co Kerry
Ireland
Tel: + 353 66 718 2000
Email: registrar@kerry.ie

Yours faithfully

Denis Buckley

Denis Buckley
Chairman

The following information is provided to shareholders in accordance with the Shareholders' Rights (Directive 2007/36/EC) Regulations 2009

1. Conditions for participating in the meeting

Every shareholder, irrespective of how many Kerry Group plc shares he/she holds, has the right to attend, speak, ask questions and vote at the Annual General Meeting. Completion of a Form of Proxy will not affect his/her right to attend, speak, ask questions and/or vote at the meeting in person.

2. Appointment of Proxy

Where a shareholder is unable to attend the Annual General Meeting in person, a proxy (or proxies) may be appointed to attend, speak, ask questions and vote on their behalf. For this purpose the Form of Proxy has been sent to each shareholder. A proxy need not be a shareholder of the Company. A shareholder may appoint the Chairman of the Company or another individual as his/her proxy. A shareholder may appoint a proxy by completing the enclosed Form of Proxy, making sure to sign and date the form and return it in the pre-paid envelope to the Group Secretary, Kerry Group plc, Prince's Street, Tralee, Co Kerry to be received no later than 2pm on 29 April 2013. If a shareholder appoints someone other than the Chairman as proxy, the shareholder must fill in the contact details of his/her representative underneath the wording "I /We hereby appoint" on the Form of Proxy.

Shareholders may also appoint a proxy electronically by visiting our website www.kerrygroup.com/shareholder and submitting their proxy details. They will be asked to enter their Surname together with a Shareholder Reference Number (SRN), a PIN (both of which can be found on the Form of Proxy) and agree to certain terms and conditions. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by using the procedures described in the CREST Manual. In order for a proxy appointment or instruction made using the CREST service to be valid, the appropriate CREST Proxy Instruction must be properly authenticated in accordance with the CREST system specifications and must contain the information required for such instructions, as described in the CREST Manual. The message, regardless of whether it constitutes the appointment of a proxy or an amendment to the instruction given to a previously appointed proxy must, in order to be valid, be transmitted so as to be received by Kerry Group plc (ID 7RA87) by 2pm on 29 April 2013. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST Applications Host) from which Kerry Group plc is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST. If a shareholder appoints the Chairman or another person as a proxy to vote on his/her behalf, the shareholder should make sure to indicate how he/she wishes his/her votes to be cast by ticking the relevant boxes on the Form of Proxy.

Completing and returning a Form of Proxy will not preclude a shareholder from attending and voting at the meeting should he/she so wish.

3. Record Date for Annual General Meeting

The Company, pursuant to Section 134A of the Companies Act, 1963 and pursuant to Regulation 14 of the Companies Act, 1990 (Uncertificated Securities) Regulations, 1996, has specified that only those shareholders registered in the register of members of the Company as at 5pm on 29 April 2013 (or in the case of an adjournment as at 48 hours before the time appointed for the holding of the adjourned meeting) shall be entitled to attend, speak, ask questions and vote at the meeting in respect of the number of shares registered in their names at the time. Changes in the register after that time will be disregarded in determining the right of any person to attend, speak, ask questions and/or vote at the meeting or the number of votes any shareholder may have in the case of a poll vote.

4. How to exercise voting rights

Shareholders have several ways to exercise their right to vote:

(a) by attending the Annual General Meeting in person;

(b) by appointing the Chairman or another person as a proxy to vote on their behalf either in writing or electronically;

(c) by appointing a proxy via the CREST System if they hold their shares in CREST.

In the case of joint holders, the vote of the senior who tenders a vote, whether in person or by proxy, will be accepted to the exclusion of the votes of the other registered holder(s) and, for this purpose, seniority will be determined by the order in which the names stand in the register of members.

5. Tabling agenda items

A shareholder, or group of shareholders acting together, who hold at least 3% of the issued share capital of the Company has the right to put an item on the agenda of the Annual General Meeting. In order to exercise this right, written details of the item to be included in the Annual General Meeting agenda together with a written explanation why the item is to be included in the agenda and evidence of the shareholding must be received by post by the Group Secretary, Kerry Group plc, Prince's Street, Tralee, Co Kerry, Ireland or by email to registrar@kerry.ie no later than 2pm on 19 March 2013 (i.e. 42 days before the Annual General Meeting). An item cannot be included in the Annual General Meeting agenda unless it is accompanied by a written explanation and received at either of these addresses by the stated deadline.

6. Tabling draft resolutions

A shareholder, or group of shareholders acting together, who hold at least 3% of the issued share capital of the Company has the right to table a draft resolution for inclusion in the agenda of the Annual General Meeting subject to any contrary provision in company law. In order to exercise this right, the text of the draft resolution and evidence of the shareholding must be received by post by the Group Secretary, Kerry Group plc, Prince's Street, Tralee, Co Kerry, Ireland or by email to registrar@kerry.ie no later than 2pm on 19 March 2013 (i.e. 42 days before the Annual General Meeting). A resolution cannot be included in the Annual General Meeting agenda unless it is received at either of these addresses by this deadline. Shareholders are reminded that there are provisions in company law which impose other conditions on the right of shareholders to propose resolutions at the general meeting of a company.

7. How to ask a question before or at the meeting

The Annual General Meeting is an opportunity for shareholders to put questions to the Chairman during the question and answer session. Before the Annual General Meeting, a shareholder may also submit a question in writing by sending a letter and evidence of their shareholding at least four business days before the Annual General Meeting (i.e. 24 April 2013) by post to the Group Secretary, Kerry Group plc, Prince's Street, Tralee, Co Kerry, Ireland or by email to registrar@kerry.ie.

8. How to request/inspect documentation relating to the meeting.

The annual financial statements, Auditors' Report and Report of Directors are contained in the Company's Annual Report which will be despatched to shareholders on 3 April 2013 and will also be available on the Company's website. A copy of the Rules of the 2013 Long Term Incentive Plan will be available for inspection during normal business hours on Monday to Friday each week (public holidays excepted) at the Company's registered office at Prince's Street, Tralee, Co Kerry, Ireland from the date of the issue of this document up to and including the date of the Annual General Meeting and at the place of the Annual General Meeting from 12 noon until the close of the meeting. Should a shareholder not receive a Form of Proxy, or should a shareholder wish to be sent copies of these documents, they may request this by telephoning the Group Secretary's office on + 353 66 718 2000, or by email to registrar@kerry.ie or by writing to the Group Secretary at the address set out above.

9. Further information

This Annual General Meeting notice, details of the total number of shares and voting rights at the date of giving this notice, the documents to be submitted to the meeting, copies of any draft resolutions and copies of the forms to be used to vote by proxy are available on the Company's website at www.kerrygroup.com/agm.

Appendix

Summary of the terms of the Kerry Long-term Incentive Plan ("LTIP")

Introduction

This LTIP replaces the existing 2006 LTIP under which no further awards will be made. This LTIP envisages two potential types of awards ("Awards") that may be delivered to eligible employees ("Participants"):

– Primarily, annual Awards ("Annual Awards") will be granted by the Remuneration Committee up to 200% of base pay and subject to the satisfaction of conditions ("Performance Conditions") over a fixed period ("Performance Period") with a further holding period ("Holding Period") and clawback arrangements. It is envisaged for the first year that there will be around 200 participants in these Awards.

– In addition, for a smaller number of Participants expected to be 10 people in the first year, Awards with a similar Performance Period but a further longer retention period ("Career Shares"). Executive directors will not be able to participate in these Career Shares. These Awards are designed to facilitate highly important critical talent and business objectives over a small group of Participants in the development of Kerry's future business.

In order to facilitate best local practice the exact form of the Awards may vary and can be delivered as invitations to participate, nil-cost options, conditional awards of shares, stock units, or other like rights or cash. Such Award will provide a Participant with a right to ordinary shares in the Company ("Shares") or related right or equivalent value, subject to meeting predefined Performance Conditions as explained further below.

Eligibility

Awards under the LTIP are made on a discretionary basis. All employees (including Executive Directors) of the Company and its subsidiaries may be granted Annual Awards under the LTIP.

Grant of Awards

Awards may be made during (a) the period of 42 days after the date on which the LTIP is approved by the shareholders of the Company; (b) the period of 42 days after the announcement of the results of the Group for any period, its interim management report, any transaction requiring approval by shareholders or an intention to issue shares that requires the issue of a prospectus; or (c) at any time at which the Remuneration Committee considers that exceptional circumstances exist.

No Award may be granted after the termination date of the LTIP or at any time when to do so would be prohibited by the Model Code. No consideration is payable for the grant of an Award.

It is intended that Annual Awards will be made shortly after the 2013 AGM, subject to the approval of the Plan at the AGM.

LTIP Limits

No Award may be granted under the LTIP on any date if, as a result, the aggregate nominal value of shares issued or issuable pursuant to Awards granted:

– during the previous ten years under the LTIP or any other employees' share scheme adopted by the Company would exceed ten per cent of the issued ordinary share capital of the Company on that date or

– during the previous three years under the LTIP or any other employees' share scheme adopted by the Company would exceed three per cent of the issued ordinary share capital of the Company on that date.

For the purposes of these limits, references to shares issued or issuable shall include:

– treasury shares held by the Company; and

– shares issued to the trustee of an employee benefit trust established by the Company for the purposes of satisfying any right;

but shall not include:

– shares bought on the market by the trustee of such an employee benefit trust; or

– shares subject to an award or option that has lapsed or been renounced or has otherwise become incapable of vesting.

Individual Limit

No person may receive in any financial year Awards under this plan or any other long term incentive plan over shares with a value (calculated at the date of grant of the Award) of more than 200% of their base salary for that financial year. However, an exception to this limit is made for the Award to relevant Participants of Career Shares of up to a further 100% of their base salary.

Vesting of Awards

Other than for certain Participants who cease to work for the Group as a result of retirement, redundancy, ill health, incapacity or similar reasons and in the event of a change of control of the Company or a demerger, where special provisions may apply, shares are receivable only after the end of a Performance Period and to the extent that the Performance Conditions are met. No vesting can occur at any time when the shares are not capable of transfer due to the provisions of the Model Code.

Holding Periods

Following the vesting of any Award under the LTIP, half of any net Award vested will be required to be retained by the Participant for a period of 2 years. For Participants below board level the Board may vary the proportion to be retained and the Retention Period. This discretion is envisaged in order to encourage share ownership requirements beyond the minimum level and ensure share ownership guidelines are met.

Appendix

Summary of the terms of the Kerry Long-term Incentive Plan ("LTIP")

Performance Conditions

The Performance Period for an Award will be a minimum period of three consecutive financial years starting with the financial year in which the Award is made. The Performance Conditions will be set by the Remuneration Committee each year and will, in the view of the Remuneration Committee, be suitably challenging.

The Performance Conditions for the first cycle of the 2013 LTIP, for Executive Directors, are as follows:

Performance Conditions	Weighting	Definition
Earnings Per Share (EPS)	50% of total award	Adjusted EPS per the annual report and accounts
Relative Total Shareholder Return (TSR)	30% of total award	vs. sector peer group
Return On Average Capital Employed (ROACE)	20% of total award	ROACE = Adjusted earnings before finance costs / Average capital employed Adjusted earnings = profit after taxation before brand related intangible asset amortisation and non-trading items (net of tax) Capital employed = Shareholders funds + net debt

Performance conditions will be measured independently and vesting of awards is not dependent on all three Performance Conditions being met.

Earnings Per Share (EPS)

Earnings Per Share targets are as follows, with corresponding levels of vesting:

	Threshold	Target	Maximum
Vesting levels	25%	50%	100%
Earnings Per Share absolute growth per annum	8%	10%	12%

Below 8% EPS, none of this portion of the award will vest. Between 25% and 50%, and 50% and 100%, straight line vesting will occur.

Please note that in the current LTIP, EPS is measured by reference to the growth in Kerry's EPS in comparison to the increase in CPI. It is felt that going forward Irish CPI (for an international company) or the complexities of creating a global inflationary rate are not appropriate for Kerry and so the Remuneration Committee proposes the simplicity of an earnings per share target excluding inflation.

Relative Total Shareholder Return (TSR)

Relative Total Shareholder Return targets are as follows, with corresponding levels of vesting:

	Threshold	Target	Maximum
Vesting levels	30%	NA	100%
Relative Total Shareholder Return result	Median of comparator group	NA	Upper quartile of the comparator group

Below median of the comparator group, none of this portion of the award will vest. Between 30% and 100%, straight line vesting will occur.

The TSR comparator group shall consist of Kerry and the following companies:

Aryzta	Kellogg Co
Associated British Foods plc	McCormick & Co
Barry Callebaut	Nestlé
CSM nv	Novozymes
General Mills	Premier Foods plc
Givaudan SA	Sensient Technologies
Glanbia plc	Symrise
Greencore Group plc	Tate & Lyle plc
Groupe DANONE SA	Unilever plc
IFF Inc	

Appendix

Summary of the terms of the Kerry Long-term Incentive Plan ("LTIP")

Return On Average Capital Employed (ROACE)

For the 2013 LTIP, ROACE has been introduced as an additional measure.

Return On Average Capital Employed targets are as follows, with corresponding levels of vesting:

	Threshold	Target	Maximum
Vesting levels	25%	50%	100%
Return On Average Capital Employed	10%	12%	14%

Below 10% ROACE none of this portion of the award will vest. Between 25% and 50%, and 50% and 100%, straight line vesting will occur. Return on Average Capital Employed represents a good perspective of our internal rate of return and financial value added for shareholders.

The Remuneration Committee may adjust, upwards or downwards but not beyond the number of shares originally placed under Award, the number of shares which may be received at the end of the Performance Period if it considers that the outcome of the measurement of the Performance Conditions does not accurately reflect the underlying performance or financial health of the Company.

There will be no re-testing of Performance Conditions following the end of each Performance Period. An Award will lapse immediately to the extent it ceases to be capable of meeting its Performance Conditions.

A Performance Condition may be amended if an event occurs which causes the Remuneration Committee to consider that an amended Performance Condition would be a fairer measure of performance and would be no less difficult to satisfy.

The Remuneration Committee reserves the right to substitute alternative Performance Conditions and targets for future Awards in future Performance Periods. Any material changes to targets or Performance Conditions for Executive Directors will be discussed with the Irish Association of Investment Managers.

For Participants other than the Executive Directors there is an intention that a proportion of the Award may relate to other metrics including for example divisional metrics to ensure an appropriate motivational line of sight for these Participants.

Clawback

For Executive Directors, the CEO's direct reports and other such persons as the Remuneration Committee shall determine at the date of an Award, the Award shall provide that in the event of a material restatement of the accounts within 2 years of vesting the Remuneration Committee may claw back all or part of any vested Award to the extent that it determines the Award would have vested at a lower amount.

Career Shares

Awards of Career Shares may be granted to employees from time to time to suit specific business and talent needs. These Career Shares may not be granted to Executive Directors. Career Shares will be subject to a minimum 3 year Performance Period which will be determined at the time of grant and specific to the particular Performance Conditions relating to the business reason for making the Award. Awards made shall be to the value of no more than 100% of the Participant's base salary in any one financial year and may be in addition to a normal Annual Award under this plan and may increase the maximum individual participation limit by a further 100%.

Following the Performance Period, the shares awarded under a Career Share arrangement must be held for a further Retention Period before they are vested. The Performance Period and the Retention Period together cannot be less than 7 years. At the end of the Retention Period the Shares can be issued to the Participant. If an individual leaves during either the Performance Period or this Retention Period the Award will lapse unless the Remuneration Committee decides to exercise its discretion. Such discretion shall take into account the reasons for leaving, length of period to vesting and satisfaction of the Performance Conditions.

Given the extended Retention Period, Career Shares are not subject to any further holding period or clawback provisions.

Dividends

A Participant shall have no entitlement to dividends or other distributions payable by reference to a record date preceding the date of vesting or exercise of an Award or option. The Remuneration Committee in its discretion may permit that on the vesting or exercise of an Award a Participant shall receive additional shares calculated by reference to the dividends (if any) paid on a reinvested basis during the period between the grant of an Award and the vesting or exercise of the Award.

Cessation of employment with the Group

If a Participant ceases to work for the Group before an Award vests, the Award will normally immediately lapse.

However, if a Participant ceases to work for the Group because of death, illness, ill-health, disability, redundancy or retirement (or any other reason which the Remuneration Committee in its discretion permits), the Award will normally continue and will vest on the normal vesting date to the extent that any Performance Conditions have been met by that date. Time pro-rating (i.e. reducing the number of Shares which may be received on the basis of the time in the Performance Period not served as at the date of cessation of employment) will apply to such Awards. The Remuneration Committee has the power to vary these provisions in particular circumstances, including allowing for earlier vesting or exercise.

If an Award has been granted as an option and a Participant ceases to work for the Group after that option has become exercisable, he shall be permitted to exercise his option within the period of six months (twelve months in the case of the Participant's death) following the Vesting Date (unless he ceases to be an employee for some other reason, such as dishonesty, fraud, misconduct or any other circumstances justifying summary dismissal, in which case the option shall immediately lapse). The Remuneration Committee has the power to vary these provisions in particular circumstances, including allowing earlier vesting or exercise.

Appendix

Summary of the terms of the Kerry Long-term Incentive Plan ("LTIP")

Change of control and demerger

Shares will become receivable on a change of control of the Company, a scheme of arrangement under Section 201 of the Companies Act 1963 or a voluntary winding up of the Company (other than an internal reorganisation where an opportunity to exchange Awards for equivalent Awards in the new holding company is offered), subject to any relevant Performance Conditions having been met at that time. Where such event occurs before the end of the Performance Period, the number of shares receivable will be reduced pro-rata on a time apportionment basis by reference to the time that has elapsed from the relevant date of grant to the date on which such event occurs. The Remuneration Committee has discretion to vary the level of vesting having regard to the circumstances and reasons for the event of a change of control and satisfaction of Performance Criteria.

Additionally, Participants may have the opportunity to exchange their Awards for equivalent or comparable awards in the new holding company.

The Remuneration Committee has the discretion to treat a demerger as an early vesting event for some or all Participants on the same basis as a change of control, and/or adjust the terms of Awards as they think appropriate.

Adjustment of Awards

If there is a capitalisation or rights issue, a consolidation, a subdivision, a reduction or any other variation in the share capital of the Company, a demerger or special dividend, the Remuneration Committee may make the adjustments it considers appropriate to the number of shares under Award.

Other Award terms

Awards are personal to Participants, and, except on death, cannot be assigned, transferred or otherwise disposed of.

Awards are not pensionable.

Until an Award vests or is exercised, Participants have no voting or other rights in relation to the shares subject to those Awards.

The LTIP is administered by the Remuneration Committee.

Amendments

Subject to the following paragraphs, the Remuneration Committee can amend the rules of the LTIP at any time.

The provisions relating to:

(a) the persons to whom Awards are provided under the Plan;

(b) limitations on the number or amount of the securities, cash or other benefits subject to the Plan;

(c) the maximum entitlement for any one Participant; and

(d) the basis for determining a Participant's entitlement to, and the terms of, securities, cash or other benefit to be provided and for the adjustment thereof (if any) if there is a capitalisation issue, rights issue or open offer, subdivision or consolidation of shares or reduction of capital or any other variation of capital,

cannot be altered to the advantage of Participants without the prior approval of shareholders in a general meeting.

No amendment may be made to the material disadvantage of a Participant without either his or her consent or the consent of Participants entitled to a majority of shares under outstanding Awards granted under the LTIP.

Shareholder approval is not required if the amendment is minor to benefit the administration of the LTIP, to take account of a change in legislation or to obtain or maintain favourable tax, exchange control or regulatory treatment for Participants or for any member of the Group.

The Company also reserves the right to implement sub-plans without further shareholder approval for Participants resident in particular jurisdictions in order to comply with or benefit from local provisions, including granting Awards of different securities or rights, making cash Awards or cash settling Awards, provided that the overall limits on participation set out above are not exceeded, and the other applicable requirements of the LTIP govern such sub-plan.

Termination

The LTIP may be terminated at any time by resolution of the Remuneration Committee or the Board and shall in any event terminate on the tenth anniversary of its adoption so that no further Awards can be granted under the LTIP after such termination. Termination shall not affect outstanding rights of existing Participants.

LTIP Rules

The Rules of the LTIP will be available for inspection by shareholders:-

(a) from the date of this notice until the close of the annual general meeting at Kerry Group plc, Prince's Street, Tralee, Co Kerry, Ireland and Kerry Foods Ltd, Thorpe Lea Manor, Thorpe Lea Road, Egham, Surrey TW20 8HY

(b) at the place of the annual general meeting for at least 15 minutes before and during the meeting.