

Kerry Retirement Benefits Scheme
Statement of Investment Principles

Effective Date: October 2025

Contents	Page
▪ Purpose of the Statement of Investment Principles	3
▪ Roles & Responsibilities of Each Party:	
○ Company	3
○ Trustees	4
○ Investment Committee	4
○ Investment Consultants	5
○ Investment Manager	5
▪ Additional Voluntary Contribution (“AVC’s”)	5
▪ Environmental, Social & Governance Policy	6
▪ Investment Manager Appointment, Engagement and Evaluation	8
▪ Investment Objectives and Risk Measurement	11
▪ Investment Policy	13
▪ Appendix 1: Investment Funds	15

Kerry Retirement Benefits Scheme (the “Scheme”)

Statement of Investment Principles

Purpose of the Statement of Investment Principles

The purpose of this Statement of Investment Principles (the “Statement”) is to document the policies and guidelines that govern the management of the Scheme’s assets. It has been reviewed and adopted by the trustees having considered professional advice from their investment consultants. It outlines the responsibilities, objectives, risk measurement methods, risk management processes and current investment policy for the Scheme in order that:

- (a) There is a clear understanding on the part of the trustees, company, consultants, investment managers and others as to the objectives and policies of the trustees;
- (b) There are clear principles governing the guidelines and restrictions to be presented to the investment managers regarding their investment of the Scheme’s assets;
- (c) The trustees have a meaningful basis for the evaluation of the investment performance of the individual investment managers, investment performance of the Scheme as a whole and the success of the overall investment strategy through achievement of defined investment objectives; and
- (d) The trustees fulfil the requirements of the Pensions Act 1995 and the Occupational Pension Schemes (Investment) Regulations 2005, as amended, which stipulate that such a Statement is put in place.

It is intended that this Statement be sufficiently specific to be meaningful but adequately flexible as to be practical. The intention is not to outline detailed guidelines for the Scheme’s investment manager(s) – this should be done within the specific legal agreements with those parties – but rather to state the general philosophy, risk appetite and policies of the trustees that will shape the governance of the Scheme as a whole.

This Statement will be reviewed annually, and also following any change in investment policy which impacts on the content of the Statement.

The Statement was most recently reviewed in October 2025.

Roles & Responsibilities of Each Party

Because of the number of parties involved in the management of the Scheme, it is appropriate to clearly identify each entity’s role with regard to investment in order to ensure operational efficiency, accountability and clear lines of communication.

Company:

The company is the Scheme sponsor and contributes to the Scheme. The trustees recognise that the company’s continued financial support for the Scheme can be of significant importance in serving the best interests of members, therefore the principles outlined in this Statement are not shaped by the objectives of the trustees in isolation, but also by an understanding of the objectives and circumstances (financial or otherwise) of the company.

Trustees:

The trustees have fiduciary responsibility for selecting and monitoring Scheme investments. Their specific responsibilities include:

- Identifying the Scheme's risk tolerance level and formulating an appropriate and efficient investment policy (with help from the Investment Committee and the Scheme's investment consultants) which best serves the interests of the members;
- Delegating the management of Scheme investments to investment managers having obtained relevant advice under section 36 of the Pensions Act 1995 on whether the investment is suitable having regard to the Scheme's investment strategy and principles. The trustees recognise that their role is supervisory – not investment advisory;
- Monitoring and evaluating performance results to ensure that all guidelines are being adhered to and objectives are being met;
- Making any necessary changes in the investments and the investment managers, custodians, consultants and others that provide services to the Scheme relating to the investment of assets; and
- Regularly reviewing this Statement, which they may amend or restate at any time at their sole discretion but subject to any consultation requirements laid down in law or under the Trust Deed.

Investment Committee:

The Investment Committee is made up of a sub-set of the trustee board including the independent professional trustee, a company representative and a representative of the Scheme's investment consultants. Certain members of the Investment Committee are also involved in other pension schemes within the Kerry Group. The main aims of the Investment Committee are:

- to facilitate fully informed and efficient decision-making by the trustees on investment-related matters such as investment strategy and manager selection;
- to recommend and subsequently review the investment manager structure including the mixture of active / passive management or continuing suitability of the investment vehicles / products being used;
- to recommend the appointment, removal and regular review of investment managers;
- to report to the trustees on the performance of the investments compared to their benchmarks;
- to meet regularly with the investment managers and other advisers in order to review their performance and report thereon to the individual trustee groups;
- to monitor asset / liability matching (this may include factors such as value, duration and inflation hedging);
- to recommend de-risking objectives and monitor and manage the process; and
- to investigate alternative investment opportunities proposed by the advisers and make recommendations to the trustee board as appropriate.

Investment Consultants:

External investment consultants are employed by the trustees:

- to provide such information and advice to the Investment Committee and the trustees as is necessary for them to meet their objectives;
- to provide advice on all investment-related matters, including formulation of investment objectives, investment strategy, risk management, liability hedging strategies, manager structure and selection and monitoring of managers;
- to consider and give guidance in respect of changes in the regulatory environment for pension fund investment and the implications for trustees and members; and
- to provide guidance on pension fund governance from an investment point of view having regard to industry best practice.

The investment consultants work closely with the Investment Committee to ensure that this advice is distilled and imparted to the trustees in an efficient manner. Were the company to require separate investment advice (e.g., if the objectives of the trustees and the company were to differ) or a potential conflict is identified the investment consultants will notify the trustees and the company of any potential conflict of interest. They will then ensure that appropriate arrangements are put in place to manage any potential conflict.

Investment Manager(s):

One or more investment managers will be appointed to act on behalf of the trustees. The trustees will ensure that the investment manager(s) chosen observe the specific guidelines, restrictions and philosophies within this Statement and as expressed in any written agreement with the trustees. Subject to such guidelines and restrictions, the investment manager(s) will be responsible for making all investment decisions on a discretionary basis and will be evaluated on their ability to achieve the performance objectives set for them by the trustees.

Additional Voluntary Contributions (AVC's)

The Scheme's remaining With-Profits AVCs are invested with Prudential. The AVC arrangements are reviewed on at least a triennial basis with the most recent review in March 2025.

Environmental, Social and Governance (ESG) Policy

ESG

The trustees have considered the long-term financial risks to the Scheme and believe that environmental, social and governance factors are potentially financially material and therefore have agreed a policy to consider these, alongside other factors, when selecting or reviewing the Scheme's investments.

- Given the maturity profile of the Scheme and the objective to fund future member benefits from the Scheme's assets as they fall due, the trustees have a long-term time horizon over which they consider the financial materiality of ESG factors (including climate change).
- When selecting new investments, the investment managers' abilities in relation to ESG matters and ESG ratings for the manager / fund by the Scheme's investment consultants and other independent third-party bodies will be taken into account.
- However, because all the investments in the Scheme are held in pooled funds, the trustees cannot directly influence the environmental, social and governance policies of companies in which the pooled funds invest and have therefore delegated considerations of these factors to each of the investment managers. This delegation includes engagement with issuers of debt and equity and other relevant persons about relevant matters such as performance, strategy, capital structure and management of actual or potential conflicts of interest and risks in accordance with their own corporate governance policies and taking account of current best practice including the UK Corporate Governance Code and the UK Stewardship Code. Equity managers who are FCA registered are expected to report on their adherence to the UK Stewardship Code on an annual basis.
- The trustees do not monitor or engage directly with issuers or other holders of debt or equity and expect the investment managers to exercise ownership rights and undertake monitoring and engagement in line with the investment managers' general policies on stewardship, as provided to the trustees from time to time, considering the long-term financial interests of the beneficiaries.
- The trustees believe that good stewardship and positive engagement can lead to improved governance and potentially better risk-adjusted investor returns and encourage investment managers to engage with investee companies on financially material matters in an attempt to influence behaviour.
- The trustees have also delegated the exercise of the rights (including voting rights) attaching to the Scheme's investments to the investment managers. The bond funds should not normally involve any voting rights.
- As part of the ongoing review process the trustees will monitor ESG fund ratings provided by the investment consultant on a quarterly basis and, from time to time, may ask the Scheme's investment managers to attend meetings or to provide updates on the funds, including updates on ESG considerations.
- The trustees do not consider any other non-financial matters (such as member ethical views) when constructing the investment strategy or when selecting or reviewing fund managers.

Climate change risks and opportunities

The process for identifying and assessing climate-related risks and opportunities is captured by:

- The Trustees receiving periodic training on climate change and its associated risks and opportunities and consideration of the possible short, medium and long-term effects of climate change on the Scheme's objectives and its operations;
- Our advisers demonstrating how they have considered short and long-term climate change risks and opportunities when providing new strategic investment advice, new mandates, new funding plans and new advice on the covenant.
- Investments that are Buy rated by Aon having at least an appropriate or advanced process to identify, evaluate and mitigate potential financially material ESG risks, including climate change, within the portfolio.
- Our asset managers demonstrating how they have considered short and long-term climate change risks and opportunities when reporting on their portfolios.

This will enable us to understand what measures are being taken to reflect climate change opportunities and risk within the investments, funding and covenant.

Investment Manager Appointment, Engagement and Evaluation

Investment Manager Appointments & Alignment with Investment Strategy

The investment managers appointed by the trustees for the Scheme are outlined in Appendix 1.

These managers have been selected by the trustees based on a screening process undertaken by the investment consultant which is followed by detailed analysis and interviews by the Investment Committee. Where possible the trustees aspire to select managers and mandates that are “Buy rated” by the investment consultant’s formal manager rating system.

The trustees believe that arrangements with investment managers are aligned with the Scheme’s overall strategic objectives and managers have been appointed based on their capabilities and the perceived likelihood of achieving the expected return and risk characteristics required for the asset class they have been selected to manage.

For active mandates, the trustees will seek guidance from the investment consultant in relation to their forward-looking assessment of the manager’s ability to outperform over a full market cycle.

For passive mandates, the trustees will seek guidance from the investment consultant in relation to their forward-looking assessment of the manager’s ability to achieve the stated mandate objectives.

For pooled funds, the trustees acknowledge they cannot specify the risk profile or return targets of the manager but will ensure that appropriate mandates are selected to align with the Scheme’s overall investment objectives.

The Scheme’s Liability Driven Investment (“LDI”) manager implements via a bespoke pooled arrangement where the investment objectives (i.e., hedging target and guidelines) are set by the trustees. The trustees seek guidance from the investment consultant in relation to setting and monitoring these objectives.

If the investment objective for a particular investment manager’s fund changes, the trustees will review the fund appointment to ensure that it remains appropriate and consistent with the wider trustees’ investment objectives.

Incentivising Investment Managers to Consider Long-Term Financial and Non-financial Performance

The trustees also consider the investment consultants assessment of how each investment manager embeds ESG into its investment process and how the investment managers' responsible investment philosophy aligns with the trustees' beliefs around responsible investment. This includes the investment managers' policy on voting and engagement (where relevant). The trustees will use this assessment in decisions around selection, retention and realisation of investment manager appointments where applicable.

The trustees meet with the investment managers periodically and can challenge decisions made including voting history and engagement activity to ensure the best performance over the medium to long term.

Evaluating Investment Managers Performance

The performance objectives of the investment managers are outlined in Appendix 1.

Performance is monitored on a quarterly basis against agreed benchmarks and targets over multiple time periods with an emphasis on long term performance. The performance objectives outlined in Appendix 1 apply over rolling 3-year periods, and the trustees recognise that the performance of managers may be cyclical in nature. Therefore, it is not intended that 'knee-jerk' reactions will be made to short-term underperformance without more fundamental analysis of any changes within the manager's organisation or investment process, or why the underperformance could reasonably be expected to continue.

In addition, research and ESG ratings are provided quarterly by the investment consultant for each mandate. The Investment Committee and the trustees intend to rely on the formal research capabilities of their chosen investment consultants. Therefore, if any of the appointed managers are subject to a downgrade in rating over time combined with a recommendation from the investment consultant to review the situation, then a review of the investment manager and analysis by the Investment Committee should be undertaken, followed by appropriate recommendations to the trustees.

The continued appointment of investment managers is dependent on their success in delivering the mandate and target performance for which they have been appointed and managers are aware that if trustees are dissatisfied their appointment will be reviewed.

Fund Manager Remuneration

Fund manager remuneration for the Scheme's mandates is considered as part of the manager selection process and is monitored at least annually to ensure charges are in line with the agreed fee levels and are appropriate for the particular mandate.

Fees for all managers (except for Blackrock LDI) are calculated as a percentage of assets under management. Fees for the Blackrock LDI mandate is based on the level of liabilities hedged.

If investment managers are not meeting performance objectives, or investment objectives for mandates have changed, the trustees may ask investment managers to review the annual management charge or decide to switch investment managers.

If performance is not satisfactory, the trustees will request an explanation of performance and process from the relevant investment manager. If not satisfied with this, the trustees may request further action be taken, including a review of fees or replacement of the investment manager.

Portfolio Turnover Costs

The trustees do not actively monitor portfolio turnover costs. Performance objectives for the majority of investment managers are set net of fees/costs and therefore managers are incentivized in this way to keep portfolio turnover costs to a minimum in order to meet or exceed their objectives.

The trustees do not currently define target portfolio turnover ranges for investment managers, particularly as the trustees use pooled fund structures which may limit the ability to do so.

Duration of Manager Arrangements

The duration of arrangements with investment managers varies depending on the investment strategy of the Scheme and the performance of each investment manager. However, for the most part appointments will be over the long term.

Trustees do not expect to make changes on a frequent basis unless there is a strategic change to the overall investment strategy, or the manager appointed has been reviewed and the trustees decide to terminate the mandate.

Investment Objectives and Risk Measurement

Investment Objectives

The overall investment objective of the trustees is to ensure that the benefits of the Scheme continue to be affordable and that ultimately the level of benefits set out in the Trust Deed and Rules can be paid. To achieve this, the trustees seek to implement an investment strategy which is appropriate to the liabilities of the Scheme and the funding and risk tolerances of both the trustees and the company.

Risk Measurement

In determining the level of risk appropriate to the Scheme at any point in time, the trustees recognise the importance of the nature and duration of the liabilities and measure the risk of the chosen investment policy by reference to these liabilities.

In particular, the trustees consider the following risks:

- The risk of achieving an insufficient level of investment return relative to the rate required to match the growth in liabilities over time.
 - The required rate will depend on the funding policy adopted for the Scheme. Therefore, the trustees acknowledge the critical need for interaction and co-operation between the trustees and the company when formulating investment policy.
- The risk of excessive volatility in the investment returns of the Scheme relative to the movement in liabilities over shorter-term periods (e.g., one year).
 - The trustees will consider this volatility in relation to the liabilities measured under the Scheme Actuary's ongoing basis and any other relevant measures. The trustees recognise that the pattern and volatility of the Scheme's investment returns can impact directly on the pattern and volatility of the company's contribution rates and various accounting items. Therefore, risk will also be considered in these terms where appropriate.

Managing the two risks above in isolation may lead to conflicting investment policies. Therefore, in formulating an appropriate investment policy, the trustees seek to arrive at an acceptable balance between these risks in order to best meet their investment objectives and the best interests of members.

The trustees assess the balance of risk and return with guidance from the investment consultant utilising quantitative risk management tools such as value at risk and scenario analysis as well as qualitative analysis (e.g., medium term views of risk).

Furthermore, the trustees will manage a range of other investment risks using the risk management processes outlined in the next section in order to create a prudent, diversified and efficient portfolio.

Risk Management

In order to manage investment risk, the trustees will ensure, either through direct guidance or through ascertaining the suitability of any commingled (unitised) vehicles that are used, that policies and guidelines are in place for the appointed investment manager(s) and other providers such that:

- investments are, for the most part, limited to marketable securities traded on recognised/regulated markets;
- direct investment by the Scheme in derivative instruments may be made only in so far as they either contribute to a reduction of investment risks or facilitate efficient portfolio management. Any such derivative investment must avoid excessive risk exposure to a single counterparty;
- the Scheme retains a high resilience LDI collateral framework in relation to the LDI collateral (held with the LDI manager) and liquid non-LDI assets;
- the portfolio is properly diversified in such a way as to avoid excessive reliance on any particular asset, issuer or group of undertakings and so as to avoid accumulations of risk in the portfolio as a whole. Investments in assets issued by the same issuer or by issuers belonging to the same group must not expose the Scheme to excessive risk concentration; and
- the security, quality and liquidity of the portfolio as a whole is ensured, with due regard paid to the level of non-sterling currency exposure.
- environmental, social and governance factors that may have a potentially material impact on investment performance have been taken into consideration.
- professional advice in accordance with Section 36 of the Pensions Act 1995 has been obtained for all investments.

The trustees have also developed a risk management framework which monitors investment risk on an ongoing basis and provides a framework for navigation of risk and opportunities (both funding and market related).

Investment Policy

The current investment strategy of the trustees is set out below along with a description of the investment manager arrangements adopted.

Strategic Asset Allocation

Having considered the nature and duration of the expected future retirement benefits, the trustees have established their strategic asset allocation mix as set out in the table below and believe it prudently positions the portfolio so as to achieve the trustees' objectives at the current time.

The allocation to liability hedging assets (bonds and gilts) includes both leveraged and unleveraged funds and aims to reduce funding volatility by hedging approximately 91% of the Scheme's interest rate risk and 88% of the inflation rate risk on a long-term funding basis (gilts +0.2%). The LDI manager has discretion to manage leverage within agreed guidelines.

The remaining strategic asset mix incorporates an allocation to a diversified range of assets in order to pursue a level of investment return that, if forthcoming, aids the long-term sustainability of the Scheme.

This level of risk tolerance is also reflected in the actuarial return assumptions underlying the Scheme's funding policy.

Asset Class	Strategic Weighting	Guideline Ranges	Benchmark Index/Target
Global Equities (Active)	15%	10% - 20%	MSCI ACWI (Net) ¹
Total Growth Seeking Assets	15%		
Asset Back Securities ("ABS")	15%	10% - 20%	ABS Benchmark ²
Corporate Bonds (Active)	20%	15% - 25%	iBoxx Sterling Non-Gilts All Stocks Index (exc. Duration) ³
Total Income Generating Assets	35%		
Liability Matching Portfolio	50%	40% - 60%	Bespoke Buy and Hold Liability Matching Portfolio ⁴
Total Matching Assets	50%		
Total	100%	-	

¹ MSCI All Country World Index (ACWI) currency un-hedged. The MSCI All Country World (Net) Index (MSCI ACWI) is a float-adjusted market cap weighted global equity index, which tracks stocks from developed and emerging markets countries. The index reinvests dividends after the deduction of withholding taxes, is unmanaged, and does not include the effect of fees.

² Aegon utilises a market value-weighted combination of the Barclays Capital Euro ABS Floating Rate Composite Index and the Barclays Capital Euro ABS Fixed Rate Composite Index. M&G utilises a Sterling Overnight Index Average (SONIA) based benchmark.

³ Duration of corporate bonds allowed for in hedging target by LDI manager.

⁴ The Cashflow Comparator Benchmark is a series of cashflows formed by applying the aggregate Target Hedge Ratios to the Liability Cashflows and applying the relevant discounting approach as set out in the Liability Hedging Parameters section. This benchmark is not an official benchmark and instead is used as the Trustees' comparator.

Rebalancing

The trustees recognise that, even though the Scheme's investments are subject to short-term volatility, it is critical that a long-term investment focus be maintained. The trustees intend to avoid ad-hoc revisions to their philosophy and policies in reaction to either speculation or short-term market fluctuations. However, rebalancing will be considered as follows:

- Market movements may result in a portfolio that differs from the strategic mix outlined in the table above resulting in the need for ongoing rebalancing on a cost-efficient basis.
- As a specialist manager structure is in place, no single manager has control over this overall asset allocation and the trustees have instead delegated the regular monitoring and implementation of this rebalancing exercise to the Investment Committee.
- The investment committee (with guidance from investment consultant) will monitor and implement rebalancing as follows, using cash-flow where appropriate, working with the investment consultant and instructing the Scheme's administrator as necessary:
 - Asset allocations will be monitored (but not rebalanced) on a monthly basis, unless the Investment Committee agrees otherwise.
 - Asset allocations will be rebalanced to the strategic weightings on a quarterly basis if the ranges outlined in the previous table are breached, unless the Investment Committee agrees otherwise.
 - All rebalancing activity will be reported to the trustees at the next scheduled meeting.

Current asset allocation

As at 30 September 2025, the Scheme's target asset allocation is in line with the strategic asset allocation with the exception of a tactical 5% overweight to ABS and 5% underweight to LDI. All other allocations are aligned with strategic target (within reasonable tolerance levels).

Appendix 1 – Investment Funds

Defined Benefit Fund Manager Performance Objectives

List of managers invested as at 30 September 2025.

Asset Class	Type of Management	Manager	Benchmark	Objective	Annual Mgt Fees
Global Active Equity	Active	Arrowstreet	MSCI ACWI (Net)	Benchmark + 3.0% p.a.	0.52% ¹
Global Active Equity	Active	GQG	MSCI ACWI (Net) – GBP hedged	Benchmark + 3.0% p.a.	0.50% ¹
Asset Backed Securities	Active	Aegon	Barclays ABS Benchmark ²	Benchmark + 0.5% to 1.0% p.a.	0.20%
Asset Backed Securities	Active	M&G	Sterling Overnight Index Average (SONIA)	Benchmark + 1.0% to 2.0%	0.15%
Active Corporate Bonds	Active (Evergreen)	M&G	iBoxx Sterling Non-Gilts Index (exc. Duration) ³	Benchmark + 0.8% (over rolling 3 years)	0.20%
Active Corporate Bonds	Active (Buy & Maintain)	Blackrock	iBoxx Sterling Non-Gilts Index (exc. Duration) ³	Pay agreed cashflow profile by avoiding defaults	0.09%
Liability Matching Portfolio	Bespoke pooled	Blackrock	Bespoke pooled arrangement with Scheme specific guidelines	Track Scheme specific cashflow benchmark ⁴	(Leveraged exposure) First £250m 0.050% Thereafter 0.045% ⁵

¹ Fee estimated based on Aon wide client commitments in fund(s).

²Market value-weighted combination of the Barclays Capital Euro ABS Floating Rate Composite Index and the Barclays Capital Euro ABS Fixed Rate Composite Index.

³Duration of corporate bonds allowed for in hedging target by LDI manager.

⁴ The Cashflow Comparator Benchmark is a series of cashflows formed by applying the aggregate Target Hedge Ratios to the Liability Cashflows and applying the relevant discounting approach as set out in the Liability Hedging Parameters section of the Investment Management Agreement (“IMA”) between the trustees and Blackrock. This benchmark is not an official benchmark and instead is used as the Trustees comparator.

⁵ Fee charged on value of liabilities hedged.

Additional Voluntary Contributions (AVC's)

The Scheme's remaining With-Profits AVCs are invested with Prudential.

Kerry Retirement Benefits Scheme Statement of Investment Principles

Effective Date of this Statement: October 2025

**Reviewed by the trustees and signed on their behalf by the
chairman**

Wayne Phelan, Vidett Governance Services Ltd