



News Release

GraceKennedy Positions for its Centennial

[KINGSTON, JAMAICA – JULY 17, 2018] As GraceKennedy Limited heads into its 100th birthday in 2022, it has announced a round of restructuring activities starting July 2018. This restructuring is one of the strategic steps that the business will be taking, as it embarks on a multi-year transformational journey, aimed at optimizing the Group's structure for improved performance and shareholder value, delivered by a highly skilled and motivated workforce. This is in keeping with commitments made by Group CEO Don Wehby at the Company's Annual General Meeting in May of this year.

The Company is taking a close look at overall organizational design, cost structure, and business processes at all levels to achieve sustainable efficiency, greater agility and revenue growth. The restructuring exercise is an effort to not just improve key performance metrics, such as profit before tax and revenue growth rate, but also to streamline processes that will allow for a better work experience for employees and fulfill its obligation to remain profitable and sustainable for all stakeholders.

"We have the privilege of being one of the region's most well-known and respected companies and we remain very proud of our successes to date but also have an obligation to all our stakeholders -- staff, investors, shareholders, pensioners, and customers to ensure that we remain relevant and achieve our goal of becoming a Global Consumer Group," says Wehby.

GraceKennedy contracted a third party consulting group to do a review of the support functions across the entire group. This included Human Resources, Information Technology, Finance, Audit, Corporate Secretariat & Legal, Risk & Compliance, Corporate Communication, and other corporate services. Similar exercises were done in the Foods and the Financial Services segments of the business. The restructuring process is being rolled out in phases which began with a review phase in early 2018 and has now entered the implementation phase of the process.

At each step of the process, the Company has involved team members in on-going dialogue and this will continue. In this stage, some positions have been rationalized, a number of roles expanded and a few new positions created as the company repositions itself for future growth.

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Approximately 70 persons were separated, with a number of persons redeployed across the Group. Affected persons have been provided with support services in the areas of financial planning, career counselling and resume writing in addition to severance packages.

GraceKennedy has also engaged a change management partner, Prosci, to provide the Company with a structured process and the necessary tools, to successfully manage the people side of these major changes. "Change is never easy, but it is necessary if GraceKennedy is to remain relevant in a changing global environment which has seen shifts in consumer behavior, fluctuating economies and disruptive technologies," states Wehby. Some of the strategic priorities identified for the Company include: embedding lean management practices for increased efficiency; facilitating empowered and autonomous subsidiaries to foster entrepreneurship; maintaining strong corporate social commitments through the Foundations; consistent pursuit of innovation and new growth opportunities; and fostering a customer centric culture throughout the Group.

"GraceKennedy has been a Jamaican-owned business and community icon for the last 96 years and while we have been very successful, we realize the need to change. We are embarking on a journey that will give us a competitive advantage for the next century. This change will keep us at the forefront in the food service and financial markets around the world. We will always be guided by our core values, as we work together in building a stronger GraceKennedy," states Wehby.

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