



## Leadership and Experience

# The Board

### Non-executive Chairman

#### Jost Massenberg

(Age 66)  
Germany  
Independent  
N

Jost Massenberg was appointed to the Board in February 2018, and was appointed as non-executive Chairman of Kingspan in 2021.

**Key strengths:** Jost brings extensive board level experience, including at chairman and chief executive level, and has a wealth of industry experience in European steel and major manufacturing businesses. His in-depth knowledge of the steel industry and its workings furnish him with a keen understanding of the sector and challenges being addressed by Kingspan in decarbonising its supply chain.

**Previous relevant experience:** Jost is the former Chairman of VTG Aktiengesellschaft and former Chief Executive Officer of Benteler Distribution International GmbH, and prior to that he was the Chief Sales Officer and a member of the executive board of ThyssenKrupp Steel Europe AG.

**Qualifications:** PhD Business Admin.

### Chief Executive Officer

#### Gene M. Murtagh

(Age 51)  
Ireland

Gene Murtagh is the Group Chief Executive Officer. He was appointed to the Board in November 1999.

**Key strengths:** Gene has extensive experience across almost 30 years with Kingspan at operational and leadership levels. His deep knowledge of all of the Group's businesses and the wider construction materials industry, brings valuable insight to lead the Group's strategy and to advance our strategic pillars of Innovation, Planet Passionate, Completing the Envelope and Global.

**Previous Kingspan roles:** Gene joined the Group in 1993, and was appointed Chief Executive Officer in 2005. He was previously the Chief Operating Officer from 2003 to 2005, and prior to that he was managing director of the Group's Insulated Panels business and of the Water + Energy business.

### Executive directors

#### Geoff Doherty

(Age 51)  
Ireland

Geoff Doherty is the Group Chief Financial Officer. He joined the Group, and was appointed to the Board, in January 2011.

**Key strengths:** Geoff is a qualified chartered accountant, and brings extensive experience of capital markets and financial management in an international manufacturing environment. He oversees compliance of the Group's financial controls and cyber security programmes.

**Previous relevant experience:** Prior to joining Kingspan, Geoff was the Chief Financial Officer of Greencore Group plc and Chief Executive Officer of its property and agribusiness activities.

**Principal external appointments:** Non-executive director of Ryanair Holdings plc.

#### Russell Shiels

(Age 61)  
United States of America

Russell Shiels is President of Kingspan's Insulated Panels business in the Americas as well as Kingspan's global Data + Flooring business. He joined the Board in December 1996.

**Key strengths:** Russell brings to the Board his particular knowledge of the building envelope market in the Americas, as well as his deep understanding of the global office and data centre market.

**Previous Kingspan roles:** Russell has experience in many of the Group's key businesses, and was previously managing director of Kingspan's Building Components and Raised Access Floors businesses in Europe.

#### Gilbert McCarthy

(Age 51)  
Ireland

Gilbert McCarthy is Managing Director of Kingspan's Insulated Panels businesses in EMEA. He was appointed to the Board in September 2011.

**Key strengths:** Gilbert brings to the Board his extensive knowledge of the building envelope industry, in particular in Western Europe and Australasia.

**Previous Kingspan roles:** He joined Kingspan in 1998, and has held a number of senior management positions including managing director of the Off-Site division and general manager of the Insulation business.

Board Committees: A Audit & Compliance N Nominations & Governance R Remuneration

## Non-executive directors

### Linda Hickey

(Age 61)  
Ireland  
Independent  
R N

Linda Hickey was appointed to the Board in June 2013, and is appointed as the Senior Independent Director and the Workforce Engagement Director.

**Key strengths:** Linda's considerable knowledge and experience of capital markets and corporate governance provide important insights to the Board. In addition, she brings experience relating to environmental, social and governance matters from her board level positions to draw from as Senior Independent Director.

**Previous relevant experience:** Linda was previously the Head of Corporate Broking at Goodbody Capital Markets where she worked closely with multi-national corporates and the investor community. Prior to that Linda worked at NCB Stockbrokers in Dublin and Merrill Lynch in New York. She also previously served as Chair of the Irish Blood Transfusion Service.

**Qualifications:** B.B.S.

**Principal external appointments:** Non-executive director of Cairn Homes plc and Greencore Group plc.

### Michael Cawley

(Age 68)  
Ireland  
Independent  
A R

Michael Cawley was appointed to the Board in May 2014.

**Key strengths:** Michael's extensive international financial and business experience as well as his role on other audit committees are an asset to the Board and to the Audit & Compliance Committee. In addition, Michael has broad experience on governance matters and in addressing climate-related risks from his board positions at Hostelworld Group plc and previously at Flutter Entertainment plc.

**Previous relevant experience:** He is a chartered accountant and was formerly Chief Operating Officer & Deputy Chief Executive of Ryanair.

**Qualifications:** B. Comm., F.C.A.

**Principal external appointments:** Chairman of Hostelworld Group plc, and non-executive director of Ryanair Holdings plc.

### John Cronin

(Age 63)  
Ireland  
Independent  
N

John Cronin was appointed to the Board in May 2014.

**Key strengths:** John is a qualified solicitor and is a member of the International Bar Association. He has extensive experience in advising corporates, including on matters of risk and corporate governance. His valuable legal, corporate governance and capital markets experience brings a unique perspective to the Board.

**Previous relevant experience:** John is a former partner and chairman of McCann FitzGerald. He is a past President of the British Irish Chamber of Commerce.

**Qualifications:** B.A. (Mod) Legal Science; Solicitor in Ireland and England & Wales.

### Anne Heraty

(Age 62)  
Ireland  
Independent  
A R

Anne Heraty was appointed to the Board in August 2019.

**Key strengths:** Anne brings a wealth of experience from a career in running an international business and from her current role on the board of Ibec. As former Chief Executive Officer of Ireland's largest recruitment and outsourcing company, Anne has unparalleled experience of talent development and retention strategies. Anne also sits on the sustainability committee of Outsourcing Inc.

**Previous relevant experience:** Anne is the founder and former Chief Executive Officer of Cpl Resources Limited (formerly Cpl Resources plc). She previously held a number of other public and private non-executive directorships.

**Qualifications:** B.A. in Mathematics & Economics.

**Principal external appointments:** Non-executive director of Ibec, Outsourcing Inc. and Cpl Resources Limited

Board Committees: A Audit & Compliance N Nominations & Governance R Remuneration

## Non-executive directors (continued)

### Éimear Moloney

(Age 52)  
Ireland  
Independent  
A

Éimear Moloney was appointed to the Board in April 2021.

**Key strengths:** Éimear has excellent knowledge and experience of capital markets and asset management. She has extensive financial and board governance experience as a fellow of the Institute of Chartered Accountants in Ireland, and a fellow of the Institute of Directors in Ireland. She also brings valued compliance experience from the pharmaceutical manufacturing environment to the Board and the Audit & Compliance Committee.

**Previous relevant experience:** Éimear was previously a senior investment manager in Zurich Life Assurance (Irl) plc.

**Qualifications:** B.A. Accounting & Finance; MSc. Investment and Treasury.

**Principal external appointments:** Non-executive director of Hostelworld Group plc, Irish Continental Group plc and Chanelle Pharmaceuticals Group.

### Paul Murtagh

(Age 49)  
United States  
of America

Paul Murtagh was appointed to the Board in April 2021.

**Key strengths:** Paul is the Chairman and Chief Executive Officer of Tibidabo Scientific Industries Ltd and previously worked in investment banking at Merrill Lynch in New York and Sydney. He brings to the Board his excellent understanding of the US market and his significant experience in building successful global businesses.

**Previous relevant experience:** Paul was formerly the Chairman and Chief Executive Officer of Faxitron Bioptics LLC and Chairman of Deerland Probiotics & Enzymes Inc.

**Qualifications:** B. Comm International.

**Principal external appointments:** Non-executive director in a number of private companies.

### Senan Murphy

(Age 54)  
Ireland  
Independent  
A

Senan Murphy was appointed to the Board in October 2022.

**Key strengths:** Senan has over 30 years' experience in international business across multiple industries including building materials, renewable energy, financial services and banking.

**Previous relevant experience:** He was previously the Group Finance Director of CRH plc where he also had responsibility for driving and reporting performance against the company's sustainability targets. Prior to joining CRH he was Bank of Ireland Group's Chief Operating Officer, having previously held positions as Chief Operating Officer and Finance Director at Ulster Bank, Chief Financial Officer at Airtricity and numerous senior financial roles in GE, both in Europe and the US.

**Principal external appointments:** He is a non-executive director of Bluestar Energy Capital, a US-based global investor in energy transition and renewable energy. He is also a member of the UCD College of Business Irish Advisory Board.

## Company Secretary

### Lorcan Dowd

(Age 54)  
Ireland

Lorcan Dowd was appointed Head of Legal and Group Company Secretary in July 2005.

**Relevant skills & experience:** Lorcan qualified as a solicitor in 1992. Before joining Kingspan he was Director of Corporate Legal Services in PwC in Belfast, having previously worked as a solicitor in private practice.

Board Committees: A Audit & Compliance N Nominations & Governance R Remuneration

Businesspark ML  
Echt-Susteren,  
The Netherlands  
Insulated Panels  
JI Wall 1000SF PIR



# Report of the Nominations & Governance Committee

Jost Massenberg

## Dear Shareholder

I am pleased to present the 2022 Nominations & Governance Committee report covering the work and activities of the committee during the year.

The Kingspan Board recognises that the values, integrity and behaviours that shape our culture and corporate governance are the foundation of long-term success. We are committed to ensuring that our long-term ambitions go hand in hand with high standards of corporate governance, in line with the principles of the 2018 UK Corporate Governance Code. We continually enhance our corporate governance practices and disclosures to ensure we not only meet the standards expected of us but, more importantly, we promote the success of the business for all of our stakeholders. We consistently strive to ensure that our reporting continues to be meaningful in detailing how we integrate the UK Corporate Governance Code's principles into our decision making, and we have made enhancements to our governance processes, based on our purpose, values, and strategy, all of which contribute to reducing business risk for stakeholders. At the heart of all these endeavours is an entrepreneurial Board that adheres to high standards of governance.

**NodeCowork**  
North Devon, UK  
**Insulation**  
Kooltherm K103;  
GreenGuard GG300

In 2022, the committee appointed Better Boards to carry out an independent evaluation of the Board, including its effectiveness, Board culture, Board committees, and Board composition and diversity. The timing of this review was important, as it followed my appointment in 2021 as independent Chairman of the Board, and also precedes a period of transition for the Board whereby a number of long serving non-executive directors are due to retire in the near-term. The external evaluation process gave valuable insights into the Board and its committees, and a summary of the Better Boards' report and recommendations are set out later in this report.

At Kingspan, we have always welcomed shareholder feedback and, where feasible, we seek to incorporate that feedback into our decision making and reporting. During the year, I was delighted to have the opportunity to engage with our shareholders in relation to our strategy, governance, remuneration and sustainability proposals. I wrote to shareholders representing over 70% of the register, and was very pleased to meet with several of our top shareholders to gain a greater understanding of some of the matters raised at our Annual General Meeting ('AGM'). A key topic of discussion with shareholders was the future composition and diversity of our Board, which has culminated in the adoption of Kingspan's Board Diversity Policy. Further details of our response to these shareholder engagements are set out later in this report.

I would like to thank all of those who provided their feedback to the Board during our various engagements, and I look forward to continuing these conversations both in the run up to and following our AGM this year.

**Jost Massenberg**  
Chairman

21 Feb 2023



**Boatman's House**  
London, UK  
**Insulated Panels**  
SFS light steel  
frame system

During the year, I was delighted to have the opportunity to engage with our shareholders in relation to our strategy, governance, remuneration and sustainability proposals.

## Corporate Governance Statement

Kingspan is committed to operating best practice standards of good governance, accountability and transparency. This tone is set by the Group Board of Directors and communicated throughout the Group regardless of division or geographical location.

This statement outlines how Kingspan has applied the principles and complied with the provisions set out in the UK Corporate Governance Code (July 2018) (the 'Code') and the Irish Corporate Governance Annex (the 'Annex').

Both the Code and the Annex can be obtained from the following websites respectively: [www.frc.org.uk](http://www.frc.org.uk) and [www.euronext.com](http://www.euronext.com)

### Statement of compliance

The directors confirm that the Company has throughout the accounting period ended 31 December 2022 complied with the provisions of the Code and the Annex as set out below.

### Board committees

The Board has established three standing committees: Audit & Compliance, Nominations & Governance, and Remuneration.

All committees of the Board have written terms of reference setting out their authorities and duties (available on the Group's website [www.kingspan.com](http://www.kingspan.com)). The members of each committee as at the date hereof, and the date of their first appointment to the committee, are set out in the adjacent tables. The details of each committee's activities during the year are detailed in their respective reports as set out in this Annual Report.

Attendance at Board and Committee meetings is also set out in the adjacent tables.



Carson Wealth Management  
Nebraska, USA  
Insulated Panels  
QuadCore™

Audit & Compliance Committee		
Michael Cawley (Chair)	Appointed 2014	Independent
Anne Heraty	Appointed 2019	Independent
Éimear Moloney	Appointed 2021	Independent
Senan Murphy	Appointed 2022	Independent

Nominations & Governance Committee		
Jost Massenberg (Chair)	Appointed 2019	Independent
John Cronin	Appointed 2014	Independent
Linda Hickey	Appointed 2021	Independent

Remuneration Committee		
Linda Hickey (Chair)	Appointed 2015	Independent
Michael Cawley	Appointed 2014	Independent
Anne Heraty	Appointed 2021	Independent

### Attendance at AGM, Board and Committee meetings during the year ended 31 December 2022

	AGM 2022	Board (maximum 7)	Audit & Compliance (maximum 5)	Nominations & Governance (maximum 2)	Remuneration (maximum 3)
Jost Massenberg	✓	7/7		2/2	
Gene M. Murtagh	✓	7/7			
Geoff Doherty	✓	7/7			
Russell Shiels	✓	7/7			
Gilbert McCarthy	✓	7/7			
Linda Hickey	✓	7/7		2/2	3/3
Michael Cawley	✓	7/7	5/5		3/3
John Cronin	✓	7/7		2/2	
Anne Heraty	✓	7/7	5/5		3/3
Éimear Moloney	✓	7/7	5/5		
Paul Murtagh	✓	7/7			
Senan Murphy*	N/A	2/2	2/2		

\* Appointed as a director as of 1 October 2022

The Nominations & Governance Committee met twice in 2022. The activities of the committee included the following matters:

- Consider the feedback from the AGM;
- Agree shareholder engagement process;
- Consider the feedback from shareholder engagement;
- Set the criteria and process for the appointment of a non-executive director;
- Recommend the appointment of Senan Murphy to the Board;
- Agree the terms of reference for the independent Board evaluation by Better Boards;
- Consider the report from Better Boards and agree next steps and responses; and
- Recommend adoption of a Board Diversity Policy.

Further details of the Board renewal process, and the key outcomes of the Better Boards review are outlined later in this report.

### Board responsibilities

There is a clear division of responsibilities within the Group between the Board and executive management, with the Board retaining control of key strategic and other major decisions. The Chairman leads the Board and is responsible for its overall effectiveness in directing the Company. One of the key roles of the Chairman in doing so is promoting a culture of objectivity, openness and debate. In addition, the Chairman facilitates constructive Board relations and the effective contribution of all non-executive directors, and ensures that directors receive accurate, timely and clear information.

The balance of skills, background and diversity of the Board contributes to the effective leadership of the business and the development of strategy. The Board's composition is central to ensuring all directors contribute to discussions. As outlined below, the Board continues to review its composition to ensure appropriate

refreshment and renewal on an on-going basis.

As a means of fostering open dialogue and director engagement, the non-executive directors, led by the Senior Independent Director, meet without the Chairman present at least annually. Likewise, the Chairman holds meetings with the non-executive directors without the executives present. Each of these settings lends itself to a level of scrutiny, discussion and challenge, in a collaborative atmosphere.

All directors have access to the advice and services of the Company Secretary. Where necessary or requested, directors can also avail of independent third-party advice on Company issues or relevant Board matters – including, but not limited to matters such as remuneration and succession. The Company has procedures whereby all new directors receive formal induction and familiarisation with Kingspan's business operations, sustainability matters and systems on appointment, including trips to manufacturing sites with in-depth explanations of the processes involved at the site.

### Workforce engagement

The Board recognises the importance of engaging with all of our key stakeholders, as set out in Provision 5 of the Code. Elsewhere in this Annual Report we have detailed the long-lasting partnerships we have developed with customers, suppliers and communities. We are also aware of the value of engagement with our workforce. Our people are key to developing and delivering on our strategy, and are fundamental to our long-term success.

Linda Hickey is appointed as the director responsible for workforce engagement to facilitate the channelling of employee views to Board discussions. During the year, she had the opportunity to hear employee views on a range of topics through participation in our graduate development programme, and by meeting employees on site during Board visits. In 2022 we worked with our employee representatives to establish a European Works Council which will

provide a structure to engage with our employees at a European level on the development of the business, as well as employment, investments and transnational issues. The first meeting of the European Works Council will take place in the first half of 2023, and we look forward to constructive engagement with our employee representatives through this forum. In 2023 Kingspan will be launching its People Passionate programme across all its businesses which will develop wider employee engagement across the Group on a broad range of issues including culture, vision, health and well-being, and training and development. These processes of engagement will allow the Board to consistently assess and monitor the evolution of the Company's corporate culture, while promoting the ability of the workforce to provide feedback.

### Shareholders' meetings and rights

The Company operates under the Irish Companies Act 2014 (the 'Act'). This Act provides for two types of shareholder meetings: the AGM with all other meetings being called Extraordinary General Meetings ('EGM').

The Company must hold an AGM each year in addition to any other shareholder meeting in that year. The AGM is an important forum for shareholders to meet with and hear from Company directors. The ordinary business of an AGM is to receive and consider the Company's Annual Report and statutory financial statements, to review the affairs of the Group, to elect directors, to declare dividends, to appoint or reappoint auditors and to fix the remuneration of auditors and directors. At the 2022 AGM, shareholders were provided with the facility to attend and participate either in person, by proxy or on-line using the latest technology platforms. Kingspan is committed to a continuing engagement with shareholders at and around our AGM.

The Chairman of the Board of Directors presides as chairman of every general meeting and in his absence, one of the directors present will act in the capacity of chairman. The quorum for a general meeting shall be not less than three members present

in person or by proxy and entitled to vote. All ordinary shares rank *pari passu* and carry equal voting rights. Every member present in person or by proxy shall upon a show of hands have one vote and every member present in person or by proxy shall upon a poll have one vote for each share of which they are the holder. In the case of an equality of votes, both on a show of hands and at a poll, the Chairman shall have a casting vote. Further details of shareholders rights with respect to the General Meetings are set out in the Shareholder Information section of this Annual Report.

### Board diversity

At our AGM last year, there were approx. 24% of votes cast against the re-election of the Chairman to the Board. Both prior to and following the AGM the Company engaged extensively with shareholders to develop a deeper understanding of any concerns shareholders may have. The Company wrote out to shareholders representing over 70% of the register, with the Chairman and the Senior Independent Director also meeting several of the top shareholders to discuss matters arising from the AGM. It was clear from these shareholder engagements that the vote primarily reflected shareholders' views about Board refreshment and diversity.

The Board has now adopted a Board Diversity Policy, which supports the recommendations set out in the Hampton-Alexander Review on gender diversity. The Board intends to:

- increase female representation on the Board over the coming years to achieve the best practice benchmark of a minimum 40% representation of both genders; and
- increase the international representation on the Board.

A copy of the Board's policy is available on the Group's website [www.kingspan.com](http://www.kingspan.com). The Board intends to achieve these objectives through future appointments as the Board is refreshed, having regard for the need to maintain a stable and effective Board during the transition period. To this end, three

of the last five non-executive director appointments have been female. The Board currently comprises nine male and three female (25%) directors (including the Senior Independent Director), which will change to seven male and four female (36%) following the appointment of Louise Phelan and the retirement of Michael Cawley and John Cronin at our forthcoming AGM. This will meet the target set by the Irish Government's Balance for Better Business of 33% female representation on Boards by 2023, as the Company moves progressively towards the gender and international diversity targets set out in our Board Diversity Policy.

### Board composition and renewal

Kingspan is committed to the on-going refreshment and renewal of the Board, which is essential to bring fresh thinking and constructive challenge to the Board's decision making. The Nominations & Governance Committee leads the process for Board appointments while ensuring plans are in place for orderly succession to both the Board and senior management positions.

In considering candidates for appointment as non-executive directors, the committee remains guided by the principle that all appointments will be made based on merit and skills, whilst having regard to our Board Diversity Policy, including, diversity of gender, age, nationality and ethnicity. The Board believes that international skills and experience are equally as important as nationality, and will have regard to both factors in making appointments.

In 2022, the committee led the search for the appointment of a new independent non-executive director. In considering the appointment, the committee had regard to the planned changes to the Board in the near-term, particularly the prospective retirement of Michael Cawley as a non-executive director and current chair of the Audit & Compliance Committee. The committee agreed the criteria for the new appointment, to include relevant financial skills, a background in industry, and broad international experience (particularly

in the Americas). The committee considered whether or not to engage a firm of consultants to assist in the process of recruiting the new non-executive director, and agreed that in order to ensure best fit with the Company, it would use the extensive knowledge and contacts of the committee to identify suitable candidates.

The committee maintains a pool of potential candidates, and after considering Senan Murphy's skillset, which comprises more than 30 years' experience in international business across multiple industries including building materials, renewable energy, financial services and banking, he was considered the most suitable candidate. Mr Murphy's appointment broadens the skillset and diversity of the Board while reflecting our increasingly global footprint as a business.

Aligning succession planning to Kingspan's wider strategy is a cornerstone of strong Board governance, and has been, and will continue to be, a focus of the committee. A fundamental aspect of overseeing appointments to senior management remains the development of a diverse leadership pipeline. Among Kingspan's senior management team, 25% of senior leadership roles reporting directly to the CEO are held by females, which compares to the target set by the Irish Government's Balance for Better Business of 26% females in senior leadership roles by 2022. Furthermore, this year 28% and 34% of attendees on Kingspan's senior management and graduate development programmes respectively were female, and 76% and 41% of the participants in the respective programmes were from an international (non UK/Irish) background, as Kingspan is attracting more and more diversity into senior leadership roles.

Key strengths and relevant experience of each Director are set out on pages 75 to 77, and a breakdown of the background and principal skills and experience of the non-executive directors on the Board is set out in the table overleaf.

Experience/Skillset	Jost Massenberg	Linda Hickey	Michael Cawley	John Cronin	Anne Heraty	Éimear Moloney	Paul Murtagh	Senan Murphy
<b>Resident</b>	Germany	Ireland	Ireland	Ireland	Ireland	Ireland	USA	Ireland
<b>International</b>	✓	✓	✓	✓	✓	✓	✓	✓
<b>Financial</b>	✓	✓	✓	✓	✓	✓	✓	✓
<b>Banking</b>		✓	✓	✓	✓	✓	✓	✓
<b>Governance</b>	✓	✓	✓	✓	✓	✓	✓	✓
<b>Leadership</b>	✓	✓	✓	✓	✓	✓	✓	✓
<b>Industry</b>	✓		✓		✓	✓	✓	✓
<b>Environmental*</b>	✓		✓		✓			✓
<b>Risk</b>			✓	✓		✓		✓
<b>Legal</b>				✓				
<b>Workforce</b>		✓			✓			

\*In particular, with respect to Kingspan's markets, raw materials and Planet Passionate strategy.

### Board evaluation

Kingspan has in place formal procedures for the evaluation of its Board, committees and individual directors. The purpose of this formal evaluation is to ensure that the Board of Directors (on a collective and individual basis) is performing effectively and to ensure stakeholder confidence in the Board. The Chairman reviews the performance of the Board, and the conduct of Board and committee meetings annually, and an externally facilitated review of the Board's general corporate governance is carried out in every third year.

The Chairman conducts his review through a series of one to one meetings with each of the executive and non-executive directors, as well as by receiving feedback through the Senior Independent Director of the non-executive directors' collective views on the workings of the Board.

An external independent evaluation of the Board's performance was carried out in 2022 by Better Boards. The review format included a questionnaire completed by all Board members, a review of the Board papers, and a series of one to one interviews conducted with each of the executive and non-executive directors. The evaluation also measured the Board against selected peers.

The key areas of focus for the review were: Board leadership; Board culture; the Board committees; and Board composition and diversity. The results of the review were discussed by the Committee and presented to the Board at its meeting in December 2022. Overall the results were very positive, with the conclusion that the Board operates effectively, that there was a seamless transition to the new Chair, and that the Audit & Compliance Committee was effective in overseeing product compliance in line with its new terms of reference.

The review addressed in particular the Board's composition and diversity, and noted that the Board was evolving, with a number of long serving non-executive directors due to retire in the near-term. In addition the review addressed succession planning for the roles of Senior Independent Director and the Workforce Engagement Director, and the need to ensure continuity across both roles. The review recommended that the Board should adopt a formal Board Diversity Policy setting out its commitment to improving diversity on the Board, and that it should proactively use upcoming Board vacancies to respond to gender and diversity targets, having regard for the need to maintain a stable and effective Board during the transition period.

A number of other themes for further consideration were also proposed, as summarised below:

- Chairman to use one to one meetings with directors to maintain Board effectiveness;
- Board to seek on-going assurance of consistency of Kingspan culture throughout the Group;
- Enhanced reporting from sub-committees to the Board; and
- Effective succession planning and induction process for the Board over near-term, including for the role of the Senior Independent Director.

The Board has endorsed all the recommendations of the Better Boards report, and has adopted the Board Diversity Policy referred to above. The Board will monitor progress against the agreed action plan designed to further enhance Board effectiveness.

### Conflicts of interests

The Board recognises the importance of independent representation to the effective functioning of the Board, as well as providing scrutiny and (where necessary) challenge to management, as part of an effective governance framework. The committee has adopted a Conflicts of Interest Policy which guides all decisions of the Board when actual or potential conflicts of interest might arise.

The policy stipulates that directors are required to avoid situations where they have, or could have, a direct or indirect interest that conflicts, or may conflict, with the Company's interests. Directors are required to give notice of any potential situational and/or transactional conflicts, which will then be notified to and considered by the Board. In deciding what approach to take, the Board will consider:

- whether the conflict needs to be avoided or simply documented;
- whether the conflict will realistically impair the director's capacity to impartially participate in decision-making;
- the possibility of creating an appearance of improper conduct that might impair confidence in, or the reputation of, the Company; and
- any measures that may be taken to avoid or mitigate the potential conflict.

Directors are not allowed to participate in such considerations or to vote regarding their own conflicts.

### Effectiveness and independence

The committee has reviewed the size and performance of the Board during the year and this process occurs annually. The Board continues to ensure that each of the non-executive directors, remain impartial and independent in order to meet the challenges of the role. Throughout the year, more than half of the Board (58%), comprised independent non-executive directors. Linda Hickey is the Senior Independent Director on the Board. The Senior Independent Director provides a sounding board for the Chairman and serves as an intermediary for the other directors

and shareholders when necessary. The directors consider that there is strong independent representation on the Board.

The Board has had due regard to various matters which might affect, or appear to affect, the independence of certain directors. The Board considers that each of the non-executive directors on the Board, excluding Paul Murtagh, are independent.

When considering John Cronin's independence, the Board noted that he was previously a partner at McCann FitzGerald, one of the Company's legal advisers, from which he retired in March 2021. The Board also had regard to Mr. Cronin's experience as an accomplished corporate lawyer who adds important legal and regulatory experience to the Board. In these circumstances the Board continues to be satisfied that Mr Cronin remains fully independent, and that there was no material relationship, financial or otherwise, which might influence his judgement.

In assessing the independence of Linda Hickey, the Board had due regard to her length of service on the Board, and to her previous position as a senior executive at Goodbody Stockbrokers, one of the Company's corporate brokers, from which she retired in April 2019. Having regard to the continuing evolution of the Board, the committee agreed to extend the term of Ms Hickey for a period of up to three years to 2025 (subject to annual re-election at the AGM) in order to maintain a stable and effective Board during the period. In assessing Ms Hickey's independence, the committee formed the view that she has always expressed a strongly independent voice at the Board and

its committee meetings, including the Remuneration Committee of which she is chair, and that she has always exercised her judgement as a non-executive director, and as the Senior Independent Director, independent of any other relationships within the Board. The Board also took into account her unrivalled experience in capital markets and governance, which is hugely valuable to the Company and its shareholders, and concluded that her independence was not affected.

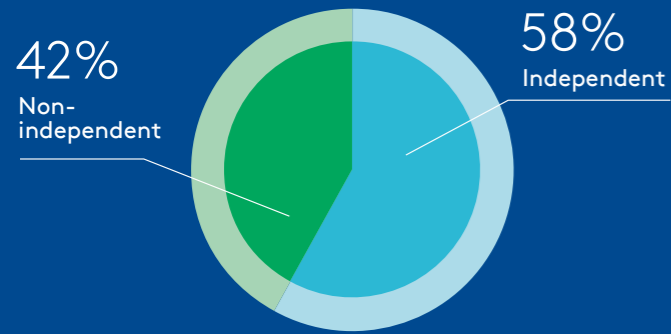
### External commitments

Directors may serve on other boards provided they continue to demonstrate the requisite commitment to discharge their duties effectively. The committee reviews the extent of the directors' other interests on an ongoing basis throughout the year. The committee is satisfied that each of the directors commits sufficient time to their duties in relation to the Company. The Chairman and each of the directors have also confirmed that they have sufficient time to fulfil their obligations to the Company.

The committee will continue to keep under review the external commitments of all directors.

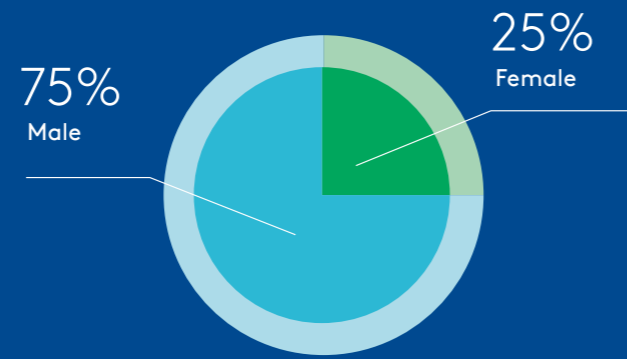
Board Balance as at  
31 December 2022

**Independence\***



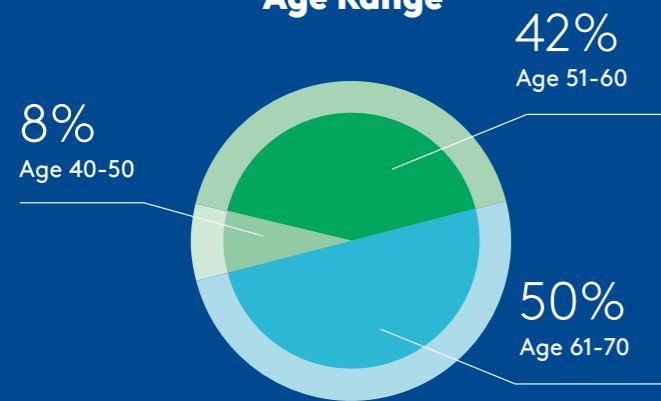
\* Planned 55% independent from April 2023

**Gender Diversity\*\***

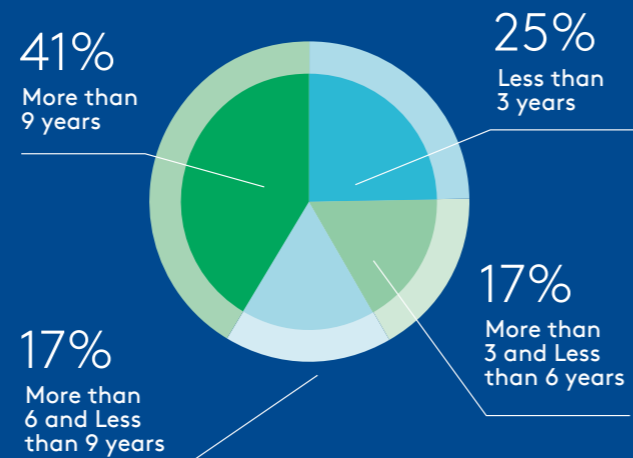


\*\* Planned 36% female from April 2023

**Age Range**



**Tenure**



Carson Wealth Management  
Nebraska, USA  
Insulated Panels  
QuadCore™

# Report of the Remuneration Committee

Linda Hickey

**Dear Shareholder**  
**On behalf of the Remuneration Committee, I am pleased to present the 2022 Report on Directors' Remuneration.**

## Remuneration philosophy and policy

Kingspan's philosophy is to pay for performance and delivery of strategy, based on simple straightforward metrics, aligned with the interests of shareholders and wider stakeholders' interests.

During 2022, I reached out to over 70% of our shareholder register, and was very pleased to have the opportunity to meet with many of our most significant shareholders, to discuss with you Kingspan's remuneration philosophy and our policy proposals as we worked towards the triennial renewal of our policy at our 2022 Annual General Meeting ('AGM'). Many of you shared your feedback with us, both in writing and in discussion with the Company, and this has been very helpful in formulating the final shape of our updated Remuneration Policy.

During our extensive consultations with shareholders both before and again after the AGM, we highlighted the significant increase in scale and complexity of the business over the three years since our last Remuneration Policy was approved in 2019. Shareholders were, in general, supportive of our proposed policy changes, although some expressed concerns about including the flexibility to grant restricted shares in our recruitment policy, as well as the quantum and timing of the changes to the LTIP limits. The committee was very grateful for these shareholder responses and has incorporated that feedback into its decision-making as explained below.

The committee considered the feedback received, as well as its responsibility to develop a remuneration policy that is appropriate for the strategic development of the entire Kingspan Group, whilst also balancing the expectations of shareholders. In

response to the feedback received, the committee:

- did not include the proposed restricted share units (which had been considered as a potential recruitment tool) as part of the updated Remuneration Policy;
- granted PSP awards to the CEO at 225% of base salary, and at 200% of base salary for the other executive directors, as proposed in last year's Report of the Remuneration Committee;
- confirmed that there is no current intention for any further step-change increases in PSP award levels; and
- agreed to engage with shareholders and consider their feedback before implementing any increase above 250% of salary during the current term of the Remuneration Policy.

As shareholders will know, Kingspan has delivered significant year on year earnings per share growth and long term shareholder returns. An important part of the committee's policy review was to ensure that our executive directors continued to be incentivised and fairly rewarded for this growth and the returns delivered to shareholders. The committee, as part of the policy review, looked carefully at both the levels and structure of remuneration. Our remuneration packages are weighted significantly towards variable pay with particular focus on the long-term as demonstrated by our CEO's maximum annual bonus opportunity of 150% of salary and long-term PSP award of 225% of salary. Incentivising longer term sustainable performance was very much the committee's objective in the review of our remuneration policy and the increase in PSP award levels. The committee's policy review took a prudent approach to increasing pay

levels, whilst noting that the executive directors' remuneration packages remain below those in comparable Irish and UK listed businesses.

We were pleased that our updated Remuneration Policy was supported by almost 80% of shareholders who voted at last year's AGM, and at the same time the committee received 97% support for the Report of the Remuneration Committee at our AGM. Further details of our shareholder engagements during the year are set out later in this report.

## 2022 business performance and pay outcomes

2022 was another record year for Kingspan, despite challenging market conditions. Management delivered significant progress across its key strategic pillars, increasing geographic expansion and market penetration both organically and through acquisition, completing the envelope through the establishment of the new Roofing + Waterproofing division, and continued new product development introducing new and innovative building solutions. The result was that Group revenues increased to €8.3bn (up 28%), and trading profit was €833m (up 10%). Earnings Per Share ('EPS'), a key performance measure used to determine the executives' performance-related pay, increased to 329.5 cent (up 8% over prior year), a new record for Kingspan.

For 2022, all of our executive directors received basic salary increases of 4.5% which was in line with the general workforce increases for the markets in which they are based, except for Russell Shiels. As outlined in last year's Annual Report, in 2020 the committee carried out a review of Russell Shiels' role and responsibilities, and noted that this had increased significantly in recent years as a result of recent organic and inorganic expansion particularly in LATAM. The committee agreed to incrementally adjust Mr Shiels' package over the period 2021/2022, and for 2022 awarded Mr Shiels a 4% increase in salary above US inflation (giving a total increase of 10%) to reflect his increased responsibilities in the Americas. The committee is satisfied that these changes have properly aligned Mr Shiels' package with his

increased responsibilities and no further adjustment is required.

Annual bonus payments to the executive directors for 2022 of between 82% and 86% of maximum reflect the Group's strong financial performance in the year, combined with the results of the non-financial measure of the Net Promoter Score (NPS). Details of the targets set and performance against them are set out later in this report.

At the same time a combination of external factors, including the war in Ukraine and increased inflation leading to general market uncertainty, have taken a toll on Kingspan's share price, with Total Shareholder Return ('TSR') for the 2020 PSP awards over the three-year performance period to 31 December 2022 being broadly flat at 1.4%. This resulted in a below median TSR performance against our selected peer group. As a result the TSR portion of the PSP awards did not vest, while the strong long-term EPS growth of 61% over the three-year period resulted in 50% of the total 2020 PSP awards vesting during 2023.

The committee considered business performance during 2022, as well as over the longer three-year performance period for the 2020 PSP awards, and is comfortable that the formulaic outcome of the incentives appropriately reflects Group performance as well as individual contribution and that no discretion to adjust is necessary. In particular, the committee reviewed the share price at the time the 2020 PSP awards were granted (€61.80) to see if market movements had created a windfall gain for the executives over the last three years. Noting that the share price at the time of grant was higher than the three month average prior to grant and also higher than the 31 December 2022 share price (€52.29), the committee concluded that there were no excess gains that required the committee to consider a scale back of the vesting levels.

## 2023 remuneration

The executive directors will receive basic salary increases of 3% in 2023, which is below general workforce increases of c. 4.5% to 6%, depending on region. In determining the appropriate salaries for the executive directors for 2023, the

committee had regard to the increases awarded to the global workforce, particularly in the UK and Ireland, Western Europe and North America, where the rates of pay for the general workforce are set locally, and in some cases are dictated by local legislation. In some countries the businesses have responded to the widespread cost of living crisis by also making additional one-off payments to the workforce. The committee considers that the 3% increase awarded to the executive directors, which is substantially below general workforce increases, is appropriate in the current high inflationary environment.

Pension benefits continue to fall for all of the executive directors in line with the previously approved plan, to closer align with workforce levels.

The annual bonus maximum opportunity and PSP award levels remain unchanged from prior year for 2023. As the performance measures remain aligned with the Group's strategy, they are also unchanged. The targets we have set reflect stretching performance goals in an uncertain and challenging period ahead. Under the policy approved by shareholders at last year's AGM, the committee may adjust the 2023 PSP awards that vest if it considers the formulaic outcome is not representative of the underlying performance of the Company, investor experience or employee reward outcome.

## Conclusion

Kingspan's strong performance in a challenging trading environment is reflected in the incentive outcomes for 2022. The decisions that the committee has made, both in respect of our remuneration policy and the operation of that policy for 2023, are in line with our commitment to ensure that our remuneration framework drives superior performance and reflects the evolving needs of stakeholders.

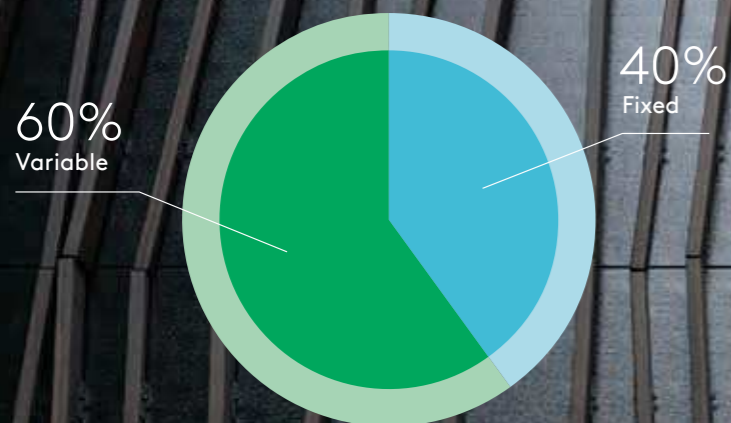
I hope that you will join the Board in approving the resolution on the Report of the Remuneration Committee at the AGM on 28 April 2023.

**Linda Hickey**  
Chair of the Remuneration Committee

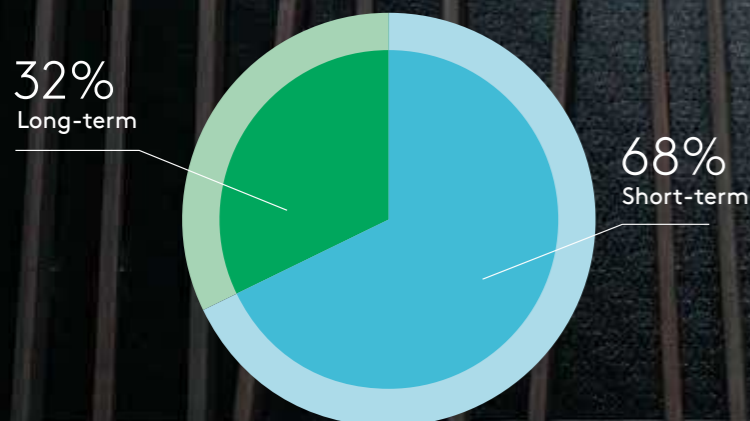
Hilton Canopy Hotel  
Florida, USA  
Insulated Panels  
Dri-Design



### Fixed Pay v Variable Pay



### Variable Pay Short-term v Long-term



## Remuneration at a Glance

### Salary

#### Implemented for year ended 31 December 2022

As outlined in last year's Annual Report, Russell Shiels received a base salary increase of 10% to reflect his increased responsibilities, with the other executives receiving a base salary increase of 4.5% in line with those awarded to the general workforce.

#### Planned for year ending 31 December 2023

The executive directors will receive basic increases of 3% which is substantially below general workforce rates of c. 4.5% to 6%, depending on markets.

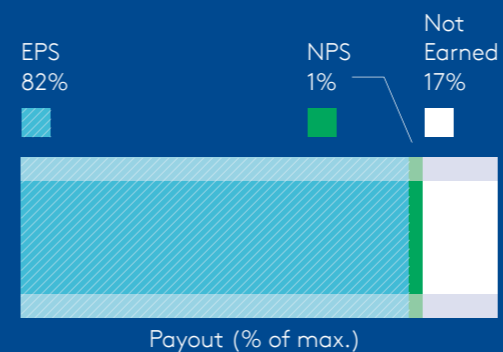
**Rationale:** These increases take account of the wider inflationary pressures that the business is experiencing in almost all markets.

### Annual incentive

As provided by the approved remuneration policy, the maximum annual bonus potential for the executive directors is 150% of base salary, which remains unchanged. The CEO and CFO's annual bonus is based on the achievement of Group EPS performance targets and, additional non-financial NPS targets. For Divisional MDs, bonuses are based on a combination of stretching profit targets for their respective divisions, plus an element of Group EPS targets and, additional non-financial NPS targets.

The 2022 targets and final outturns of the annual performance bonuses are detailed on page 99.

#### Annual Bonus CEO:



The committee has determined that there will be no material changes to the bonus framework for 2023. The measures will remain unchanged and maximum bonuses will be capped at 150% of salary.

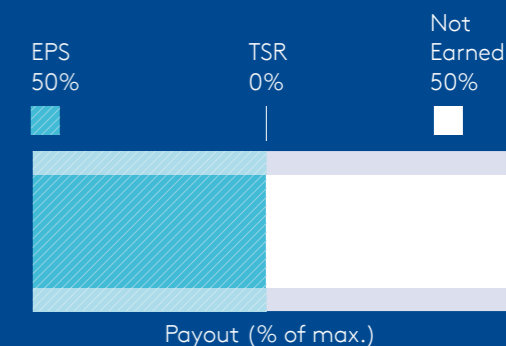
**Rationale:** The bonus scheme has proven effective at driving a relentless focus on profitability, while extending the measures to include NPS, a core part of sustainable value creation.

### Long-term incentives

The Performance Share Plan ('PSP') awards vesting in February 2023, relate to awards granted in 2020. These awards were subject to EPS growth and relative TSR performance targets measured over the three year period from 2020 to 2022. Target and actual outturns are set out on page 100.

Prior to confirming the pay-outs, the committee undertook an evaluation of whether vesting levels reflected Group performance, individual contribution and any wider circumstances over the three year period to December 2022.

#### PSP:



As approved at the AGM in 2022, awards will be made at 225% of base salary to the CEO and 200% of base salary for the other executive directors.

**Rationale:** As the business continues to grow at an exceptional rate, it is important to continue to drive superior returns and remain competitive.

## Directors' Remuneration Policy

This section of the report outlines the current policy for the remuneration of the Company's directors. The current remuneration policy was approved by shareholders at the AGM on 29 April 2022 and is set out in full in the 2021 Annual Report, and can be found on the Company's website at [www.kingspan.com](http://www.kingspan.com).

### Our remuneration philosophy

At Kingspan, we have developed a clear philosophy around remunerating and incentivising employees at all levels of the organisation. As detailed in prior reports, the principles against which we determine our approach to remuneration, and make decisions, are:

- **Pay for performance** ensuring that variable remuneration is only paid for strong performance and maximum payouts will only be realised for truly exceptional performance.
- **Simplicity** so that executives and shareholders can understand our pay arrangements without overly complex rules.

- **Transparency** so that it is objectively transparent with high levels of disclosure in the Annual Report.
- **Alignment with shareholders** by delivering a significant proportion of remuneration through equity, and by setting executive share ownership guidelines.

This approach cascades through the organisation and has played a key role in driving the growth of the business and significant value creation for stakeholders over the years.

The committee has considered the key parameters set out by the 2018 UK Corporate Governance Code (the 'Code'), which we believe our principles are aligned to:

Matters	Explanation
<b>Clarity</b>	The policy is clear, uncomplicated and well understood by the executive directors. It is based on measures aligned to strategy.
<b>Simplicity</b>	Aligned with our existing principle of simplicity, with clear and focused incentive plans that do not incorporate excessive measures.
<b>Risk</b>	The policy is designed to discourage inappropriate risk taking and to ensure that it is not rewarded. This is achieved by an appropriate balance between short-term and long-term incentive plans and the introduction of non-financial metrics, with clawback and recovery provisions and the ability of the committee to utilise discretion to adjust formulaic outcomes.
<b>Predictability</b>	Incentive plans are subject to established limits, with objective targets and straight line vesting dictating payouts.
<b>Proportionality</b>	Aligned with our principle of pay-for-performance, so that any pay is fully proportional to performance and stakeholder experience.
<b>Alignment to culture</b>	Our high performance culture is designed to drive superior returns for shareholders, whilst the introduction of sustainability measures embeds our Planet Passionate goals throughout the business.

**At Kingspan, we have developed a clear philosophy around remunerating and incentivising employees at all levels of the organisation.**

The policy for the key elements of an executive director's remuneration is set out in the table below:

Key element	Operation	Opportunity and measures
<b>Fixed remuneration</b>		
<b>Base Salary</b> To attract and retain the best global talent of the calibre required to deliver the Group's strategy.	Base salaries are reviewed annually by the Remuneration Committee in the last quarter of each year. A broad assessment of individual and business performance is used by the committee as part of the salary review. Increases will generally be in line with increases across the Group, but may be higher or lower in certain circumstances to reflect performance, changes in remit, roles and responsibilities, or to allow newly appointed executives to move progressively towards market norms.	Any increase will typically be in line with those awarded to the broader employee pay environment. The committee has discretion to award higher increases in circumstances that it considers appropriate, such as a change in role or responsibility.
<b>Benefits</b> To provide benefits which are competitive with the market.	In addition to their base salaries, executive directors' benefits include but are not limited to life and health insurance, the use by the executive directors of company cars (or a taxable car allowance) and relocation or similar allowances on recruitment, each in line with typical market practice.	Benefits are set at a level which the committee considers appropriate in light of the market and depending on the role and an individual's circumstances.
<b>Pensions</b> To provide a retirement benefit which is competitive with the market.	Kingspan operates a defined contribution pension scheme for executive directors. Pension contributions are calculated on base salary only. Alternatively, Kingspan may pay a cash amount subject to all applicable employee and employer payroll taxes and social security.	Incumbent executive director pensions will be reduced to 10% of salary by the end of 2024. Newly appointed executive directors' will be capped at the rate applicable in the relevant market.
<b>Variable remuneration</b>		
<b>Annual performance bonus</b> To reward the delivery of short-term performance targets and business strategy, satisfied in cash and deferred share awards, aligning management interests with shareholders and the longer term performance of the Group.	Executive directors receive an annual performance related bonus based on the attainment of financial and non-financial targets set prior to the start of each year. Bonuses are paid on a sliding scale if the targets are met. Maximum bonus is only achieved if ambitious incremental growth targets are achieved.  No more than 100% of salary can be delivered in cash through the bonus plan. Any performance related bonus achieved in excess of the cash amount is satisfied by the grant of share awards, which are deferred for two years.  The committee has discretion to adjust formulaic bonus outcomes in line with the Code.	The maximum potential bonus for the executive directors is 150% of base salary.  The committee selects stretching performance targets each year, which are based on a mix of:  → Group profit targets; → Divisional financial performance; → Net Promoter Score (Customer NPS).  Bonus payment for financial targets is 0% at threshold. Bonus is paid on a straight line basis for achieving each point on the NPS target scale.

Key element	Operation	Opportunity and measures
<b>Variable remuneration (continued)</b>		
<b>Long-term incentive plan (LTIP)</b> To reward the sustained strong performance and delivery of Group strategic objectives over the longer term. Aligns the interests of executive directors and senior managers with those of the Group's shareholders and recognises and rewards value creation over the longer term.	Executive directors are entitled to participate in Kingspan's Performance Share Plan (PSP). Under the terms of the PSP, performance shares are awarded to the executive directors and the senior management team. The performance shares will vest after three years only if the Group's underlying performance has improved during the 3-year performance period, and if certain financial and non-financial ESG targets are achieved over the performance period. The awards are subject to a two-year post vesting holding period.	<p>The maximum award level under the policy is 300% of salary. The committee will not increase awards above 250% of salary in the current policy period without first engaging with its largest investors and considering the feedback received.</p> <p>For 2023 the CEO will receive a maximum annual award over shares with a market value of 225% of base salary, and the other executive directors will receive awards over shares with a market value of 200% of base salary.</p> <p>Prior to granting an award, the Committee sets performance conditions which it considers to be appropriately stretching. The performance conditions for the PSP awards to be granted in 2023 are based on a mix of:</p> <ul style="list-style-type: none"> <li>→ EPS growth;</li> <li>→ TSR outperformance; and</li> <li>→ Achievement of the Group's Planet Passionate targets.</li> </ul> <p>On achieving the threshold performance level for the EPS and TSR measures, 25% of the relevant element of the award will vest, 0% of the Planet Passionate award vests on threshold. Vesting is on a straight-line basis between threshold and maximum levels of performance.</p>

The policy on non-executive directors' remuneration is as follows:

Key element	Operation	Opportunity
<b>Non-executive director fees</b> To reflect time commitment, experience and responsibilities, and to attract and retain high calibre non-executive directors by offering a market competitive fee level.	<p>Non-executive director fee levels are reviewed annually.</p> <p>The Chairman receives a single fee for all their responsibilities.</p> <p>Other non-executive directors receive a basic board membership fee. The Chair of Board committees and the Senior Independent Director receive an additional fee for this role.</p> <p>Non-executive directors are entitled to the reimbursement of reasonable business expenses including any tax (grossed up) that may be payable on those expenses.</p>	<p>Fees for non-executive directors are within the limits set by the shareholders from time to time, with a current aggregate limit of €975,000.</p>

The following are key structural aspects of the remuneration policy in relation to the directors' remuneration contracts:

<b>Clawback and malus</b> Ensures an appropriate balance between risk and reward.	<p>Covers material misstatement of financial results, material breach of executive's employment contract, error in contract, failure of risk management, corporate failure, wilful misconduct, recklessness and or fraud resulting in serious damage to the financial condition or business reputation of the Company.</p> <p>The period within which clawback and malus can be operated is 2 years from payment of annual bonus and/or vesting of LTIP awards.</p>
<b>Shareholding guideline</b> Ensures alignment between the interests of executive directors and shareholders.	<p>200% of salary to be achieved through the retention of at least 50% of all vested variable pay awards (subject to sales to meet taxes). Achievement of guideline is measured through beneficially owned shares only.</p> <p>For new appointees, the committee may consider it appropriate to require a percentage of the annual bonus paid to be deferred into shares (rather than just bonus in excess of 100% of salary), in order to achieve this guideline.</p>
<b>Post cessation of employment and general shareholding requirements</b> Ensures alignment between the interests of executive directors and shareholders.	<p>All executive directors are subject to a post-employment shareholding requirement of the lower of (i) shares or equity interests held on cessation, and (ii) 200% of salary, for 2 years post-employment.</p> <p>Achievement is measured through beneficially owned shares, and the retention of vested deferred share and LTIP awards (subject to sales to meet taxes).</p>
<b>Approach to recruitment</b> To attract an executive director of the calibre required to shape and deliver the Group's business strategy.	<p>In exceptional circumstances, such as to facilitate recruitment, the committee may exercise its discretion and grant LTIPs up to a maximum of 400% of salary.</p>
<b>Termination - Notice Periods</b>	<p>Each of the executive directors has a service contract with the Company which provides for 12 months' notice of termination by the Company (or, at the discretion of the Company, payment for all or part thereof) and 6 or 12 months by the director and it is the Company's policy that notice periods will not exceed 12 months. The service contracts do not include any provision for compensation for loss of office, other than the notice period provisions set out above. There are no enhanced provisions on a change of control and there are no specific severance arrangements.</p> <p>The committee's policy in relation to termination of service contracts is to deal with each case on its merits having regard to the circumstances of the individual, the termination of employment, any legal advice received and what is in the best interests of the Company and its shareholders.</p>
<b>Termination - Annual Incentive Bonus and Long Term Incentive Plans</b>	<p>Annual bonuses and PSP awards are dealt with in accordance with the rules of the relevant plans. At the discretion of the committee (and normally where the individual has served a minimum of 6 months of the bonus year), a pro-rata bonus may become payable at the normal payment date for the period of service subject to full year performance targets being met.</p> <p>The default treatment for share based awards is that any unvested award will lapse on termination of employment. However, under the rules of the Performance Share Plan, in certain prescribed circumstances (e.g. "good leaver"), awards are eligible to vest subject to the performance conditions being met over the normal performance period (or a shorter period at the Committee's discretion) and with the award being reduced by an amount to reflect the proportion of the vesting period not actually served.</p>

## 2022 Remuneration Outturn

Directors' Remuneration for year ended 31 December 2022										
Executive directors	Gene Murtagh EUR'000		Geoff Doherty EUR'000		Russell Shiels <sup>(1)</sup> EUR'000		Gilbert McCarthy EUR'000		Total EUR'000	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<b>Fixed Remuneration</b>										
Salary and Fees	928	888	599	573	642	520	554	530	2,723	2,511
Pension Contributions <sup>(2)</sup>	148	161	120	140	154	169	94	106	516	576
Benefits <sup>(3)</sup>	37	35	35	34	73	53	40	43	185	165
<b>Total Fixed Remuneration</b>	<b>1,113</b>	<b>1,084</b>	<b>754</b>	<b>747</b>	<b>869</b>	<b>742</b>	<b>688</b>	<b>679</b>	<b>3,424</b>	<b>3,252</b>
<b>Performance Pay</b>										
<b>Annual Incentives<sup>(4)</sup></b>										
Cash Element	928	888	599	573	642	520	554	530	2,723	2,511
Deferred Share Awards	225	444	145	287	181	260	125	265	676	1,256
<b>Long Term Incentives<sup>(5)</sup></b>										
LTI - Value at Grant <sup>(6) (7)</sup>	750	1,499	415	830	384	768	384	768	1,933	3,865
LTI - Share Price Growth <sup>(6) (7)</sup>	(115)	1,811	(64)	1,003	(59)	928	(59)	928	(297)	4,670
<b>Total Performance Pay</b>	<b>1,788</b>	<b>4,642</b>	<b>1,095</b>	<b>2,693</b>	<b>1,148</b>	<b>2,476</b>	<b>1,004</b>	<b>2,491</b>	<b>5,035</b>	<b>12,302</b>
<b>Total Remuneration</b>	<b>2,901</b>	<b>5,726</b>	<b>1,849</b>	<b>3,440</b>	<b>2,017</b>	<b>3,218</b>	<b>1,692</b>	<b>3,170</b>	<b>8,459</b>	<b>15,554</b>
<b>Non-executive directors<sup>(8)</sup></b>										
									<b>2022</b>	<b>2021</b>
Jost Massenberg									350	258
Linda Hickey									105	85
Michael Cawley									90	85
John Cronin									75	75
Anne Heraty									75	75
Éimear Moloney									75	50
Paul Murtagh									75	50
Senan Murphy <sup>(9)</sup>									19	-
Bruce McLennan <sup>(10)</sup>									-	25
Eugene Murtagh <sup>(10)</sup>									-	64
<b>Total non-executive pay</b>									<b>864</b>	<b>767</b>
<b>Total Directors' remuneration</b>									<b>9,323</b>	<b>16,321</b>

- (1) Russell Shiels' remuneration is denominated in USD, and has been converted to Euro at the following average rates USD:1.0544 (2021: 1.1828).
- (2) The Group operates a defined contribution pension scheme for executive directors. Certain executives have elected to receive part of their prospective pension entitlement as a non-pensionable cash allowance in lieu of the pension benefit foregone, subject to all applicable employee and employer payroll taxes.
- (3) Benefits principally relate to health insurance premiums and company cars/car allowances. In the case of Russell Shiels the cost of life insurance and permanent health benefit is also included.

- (4) The annual incentive amount is earned for meeting clearly defined EPS growth, divisional profit and NPS targets. Details of the bonus plan and targets are set out on page 98 of the Report of the Remuneration Committee.
- (5) Long-Term Incentives are granted annually pursuant to the Kingspan Group Performance Share Plan (PSP). Details of the PSP scheme and targets are set out on page 100 of the Report of the Remuneration Committee.
- (6) The value of the 2020 LTIP award that will vest in 2023 has been calculated using the average share price for December 2022, being €52.29. The calculation for this award will be adjusted in next years' annual report to reflect the share price on the date of vesting (24/02/2023). The share price decreased from the date of grant (share price: €61.80) to the share price used to determine the vesting value (share price: €52.29).

- (7) The value of the 2019 LTIP award that vested in 2022 has been calculated using the share price at the date of vesting (25/02/2022) of €85.66. The share price increased from the date of grant (share price: €38.80) to the date of vesting (share price: €85.66).
- (8) Non-executive directors receive a base fee of €75,000 per annum, plus an additional fee of €15,000 for chairmanship of Board committees, as well as for the Senior Independent Director. They do not receive any pension benefit, or any performance or share based remuneration.
- (9) Senan Murphy was appointed as a non-executive director on 1 October 2022.
- (10) Bruce McLennan and Eugene Murtagh both retired as non-executive directors on 30 April 2021.

Total Pay over 5 Years	Year 1	Year 2	Year 3	Year 4	Year 5
Fixed Pay	Salary				
	Benefits Pension				
Annual Bonus (Malus and clawback provisions apply)	Up to 100% of salary in cash	Excess bonus in shares Two year deferral period No further performance conditions			
LTIP (Malus and clawback provisions apply)	Three-year performance period			Two-year post-vesting holding period No further performance conditions	
Shareholding Requirement (200% of Salary)	Executive directors' minimum shareholding requirement				



### Base salary

All of the executive directors, except for Russell Shiels, received basic salary increases for 2022 of 4.5% which was in line with the general workforce increases for the markets in which they are based and within the overall global workforce range of c.3% to 6%. As outlined in last year's Annual Report, in 2020 the committee carried out a review of Mr Shiels' role and responsibilities, and noted that this had increased significantly in recent years as a result of recent organic and inorganic expansion particularly in LATAM. The committee agreed

to incrementally adjust Mr Shiels' package over the period 2021/2022, and awarded Mr Shiels a 4% increase over US inflation in 2022 (giving a total increase of 10%) to reflect his increased responsibilities in the Americas. The committee is satisfied that these changes have properly aligned Mr Shiels' package with his increased responsibilities and no further adjustment is required.

### Pension

As outlined in previous Annual Reports, all executive directors' contractual pension contributions

will be reduced to 10% of base salary by the end of 2024. This approach was adopted by the committee and subsequently supported by shareholders following feedback on the 2019 Remuneration Policy. While recognising that certain shareholders may have differing expectations on the timing of the pension reductions, the committee believes this approach fairly and appropriately balances the legacy contractual entitlement of each of the executive directors with the general expectations of shareholders and wider stakeholders.

Executive Director	Pension Contribution				
	2021	2022	2023	2024	2025
Gene Murtagh	18%	16%	14%	12%	10%
Geoff Doherty	24%	20%	16%	13%	10%
Gilbert McCarthy	20%	17%	14%	12%	10%
Russell Shiels	33%	24%	18%	14%	10%

### 2022 performance related bonus

In 2022 all executive directors were eligible for a maximum performance related bonus opportunity of up to 150% of base salary. The CEO and CFO's annual performance related bonuses were based principally (93% of total opportunity) on Group EPS growth targets over prior year, with the maximum annual performance related bonus being payable on the achievement of 110% Group EPS growth over prior year. The committee considered this to be a stretching target, particularly in light of the global market conditions that were evident from the end of the prior year. The achievement of record EPS growth in such a challenging environment was an excellent result both individually and by the organisation as a whole, and resulted in the CEO and CFO achieving 87.5% of their maximum bonus opportunity against this metric.

For each of the Divisional MDs, up to 46.5% of their total bonus opportunity was based on achieving stretching divisional profit targets, with maximum bonus being payable on the achievement of 5% divisional

profit growth. Strong divisional performance resulted in 100% of the maximum bonus opportunity being achieved by the Divisional MDs in respect of these financial metrics. Additional commentary on each of the divisions' performance is set out in the Chief Executive's Review. A further 46.5% of the Divisional MDs' total bonus opportunity was payable on the achievement of the same stretching Group EPS targets as for the CEO and CFO, ensuring a healthy balance between incentivising divisional and Group growth.

Up to 7% of each of the executive directors' total bonus opportunity (i.e. 10% of base salary) was based on achieving Group or divisional Net Promoter Score® ("NPS") targets. NPS is a measure of both brand loyalty and brand advocacy and is one of many metrics we use to measure customer experience as part of the global Voice of the Customer programme. As the programme has scaled, an external review by an independent third party has been introduced who validates the NPS scores and underlying methodology. The overall Group NPS score for the

year was 41, which was somewhat behind prior year and at the lower end of target, whilst at a divisional level NPS scores varied with some showing improvements but others falling below target. This reflects in part the impacts experienced by supply chain shortages, the difficulties of passing on high raw material cost inflation during the year, and the ambitious targets set by the committee for this important metric of strategic performance.

Each executive's performance against targets, and bonus achieved, is set out in the table adjacent. The committee was satisfied that the formulaic outturn of the bonus plan for 2022 was an accurate reflection of underlying company performance, individual contribution and a holistic evaluation of wider circumstances. In particular, the committee considered the record financial performance of the Group, and the substantial growth in headcount and operational footprint.

All bonuses earned in excess of 100% of base salary will be satisfied by the grant of share awards, which are deferred for two years.

	Bonus measure	Max. opportunity/ weighting (as % salary)	Threshold target	Target for maximum	Performance	Outcome (% of weighted measure)	Total payout (% max. opportunity)
<b>Chief Executive</b>	EPS	140%	275.04 cent	336.16 cent	329.5 cent	87.5%	82.8%
	NPS	10%	NPS of 41 to 46		41	16.7%	
<b>Chief Financial Officer</b>	EPS	140%	275.04 cent	336.16 cent	329.5 cent	87.5%	82.8%
	NPS	10%	NPS of 41 to 46		41	16.7%	
<b>Russell Shiels</b>	Divisional profit	70%	90% of prior year	105% of prior year	138%	100%	85.5%
	EPS	70%	275.04 cent	336.16 cent	329.5 cent	75.1%	
	NPS	10%	Divisional NPS range not disclosed			57.1%	
<b>Gilbert McCarthy</b>	Divisional profit	70%	90% of prior year	105% of prior year	112%	100%	81.7%
	EPS	70%	275.04 cent	336.16 cent	329.5 cent	75.1%	
	NPS	10%	Divisional NPS range not disclosed			0.0%	



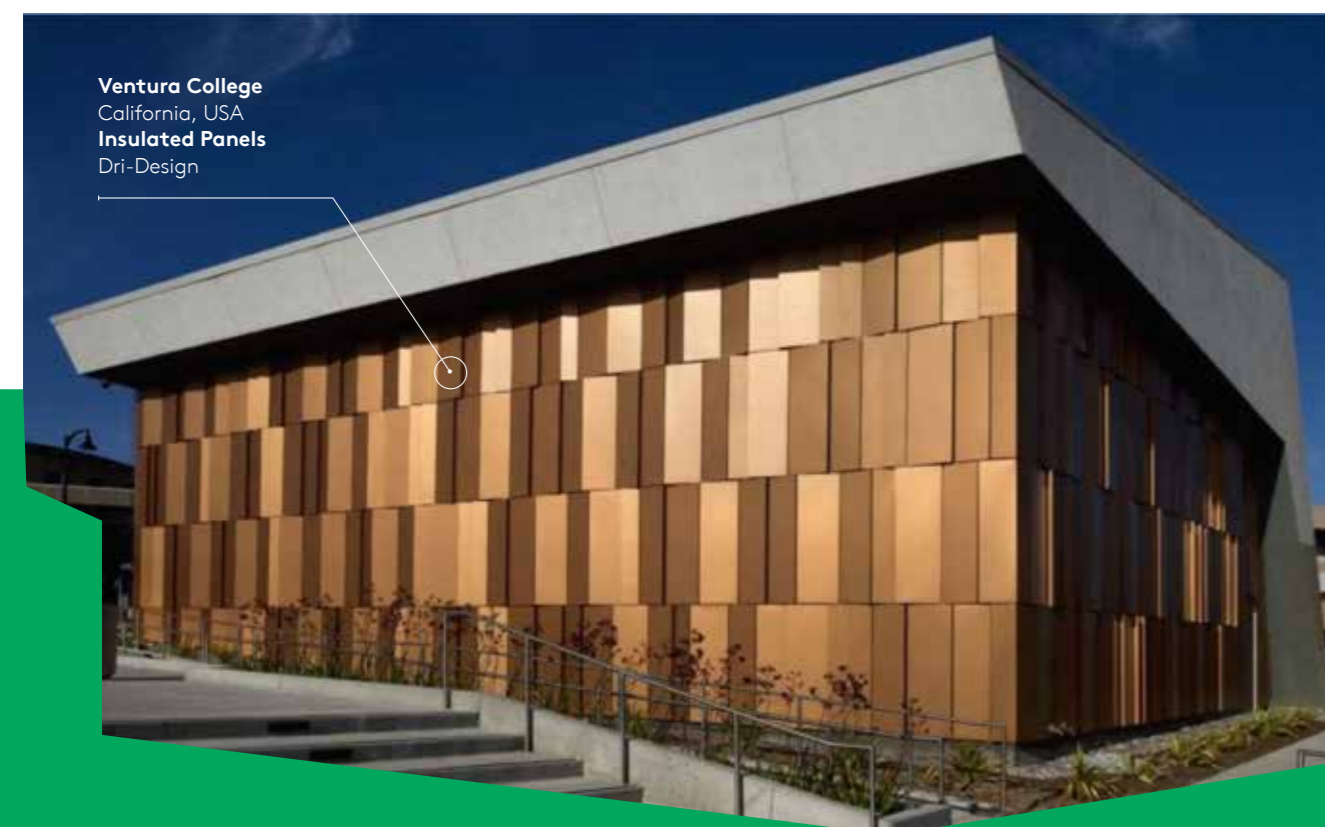
### Performance Share Plan

In 2020, the committee granted PSP Awards that were 50% based on EPS growth targets and 50% based on TSR targets as outlined below.

	Weighting	Targets	Performance	Payout (% of max.)
EPS	50%	6% -12% CAGR	17.2% CAGR	100%
TSR	50%	Median to Upper Quartile	43 <sup>rd</sup> percentile	0%

The peer group against which TSR performance was measured was as follows:

Armstrong World Industries Inc	LafargeHolcim Ltd
Boral Ltd	Mowhawk Industries Inc
Compagnie de Saint Gobain S.A.	Owens Corning Inc.
Cornerstone Building Brands Inc	Rockwood Intl. A/S
CRH plc	Sika AG
Geberit AG	Travis Perkins plc
Grafton Group plc	Wienerberger AG



The committee reviewed the extent to which the vesting targets in respect of the PSP Awards granted in 2020 had been met by reference to the EPS and TSR targets over the three-year performance period to 31 December 2022. The committee noted that a combination of external factors, including the war in Ukraine and increased inflation leading to general market uncertainty had impacted Kingspan's share price, with TSR over the three-year performance period being broadly flat at 1.4%. This resulted in a below median TSR performance against the selected peer group. As a result the TSR portion of the 2020 PSP awards did not vest. At

the same time, strong long-term EPS growth of 61% over the three-year period resulted in the EPS targets being exceeded and 50% of the total 2020 PSP awards vesting. In addition, and in line with the approach to reviewing bonus payouts, the committee reviewed overall performance and stakeholder experience during the three-year period up to 31 December 2022. Following a review of the vesting levels, the committee was satisfied that they reflected company and individual performance over the three-year period.

In respect of PSP awards granted during the year, the committee

implemented the increase in the level of awards as flagged in last year's Remuneration Policy and Report as approved at the 2022 AGM. The committee granted awards to the CEO equivalent to 225% of base salary, and 200% of base salary for the other executive directors (increased from 200% and 175% of salary respectively). There are no increases to award levels for 2023 and following shareholder engagement and feedback, the committee has agreed not to increase PSP award levels above 250% of salary during the current policy period without first engaging with shareholders and considering their feedback.

The table below sets out the total number of PSPs held by the directors and the Company Secretary during the year:

Director	At 31 Dec 2021	Granted during year	Vested during year	Exercised or lapsed during year	At 31 Dec 2022	Option price €	Earliest exercise date	Latest expiry date
<b>Gene M. Murtagh</b>								
Unvested	89,988	24,803	(38,642)	-	76,149	0.13	24/02/2023	22/08/2029
Vested	36,578	-	38,642	-	75,220	0.13	26/02/2021	25/02/2026
	<b>126,566</b>	<b>24,803</b>	<b>-</b>	<b>-</b>	<b>151,369</b>	<b>0.13</b>		
<b>Geoff Doherty</b>								
Unvested	50,024	14,316	(21,396)	-	42,944	0.13	24/02/2023	22/08/2029
Vested	-	-	21,396	(21,396) <sup>3</sup>	-	0.13	-	-
	<b>50,024</b>	<b>14,316</b>	<b>-</b>	<b>(21,396)</b>	<b>42,944</b>	<b>0.13</b>		
<b>Russell Shiels</b>								
Unvested	46,276	14,677	(19,797)	-	41,156	0.13	24/02/2023	22/08/2029
Vested	-	-	19,797	(19,797) <sup>4</sup>	-	0.13	-	-
	<b>46,276</b>	<b>14,677</b>	<b>-</b>	<b>(19,797)</b>	<b>41,156</b>	<b>0.13</b>		
<b>Gilbert McCarthy</b>								
Unvested	46,276	13,240	(19,797)	-	39,719	0.13	24/02/2023	22/08/2029
Vested	88,793	-	19,797	(24,812) <sup>2</sup>	83,778	0.13	23/02/2019	25/02/2026
	<b>135,069</b>	<b>13,240</b>	<b>-</b>	<b>(24,812)</b>	<b>123,497</b>	<b>0.13</b>		
<b>Company Secretary</b>								
<b>Lorcan Dowd</b>								
Unvested	11,344	2,266	(4,378)	-	9,232	0.13	24/03/2023	23/02/2029
Vested	18,257	-	4,378	(5,230) <sup>1</sup>	17,405	0.13	23/02/2019	25/02/2026
	<b>29,601</b>	<b>2,266</b>	<b>-</b>	<b>(5,230)</b>	<b>26,637</b>	<b>0.13</b>		

- 1 Exercised on 18/02/2022. Market value on day of exercise €89.69.
- 2 Exercised on 22/02/2022. Market value on day of exercise €85.10.
- 3 Exercised on 05/05/2022. Market value on day of exercise €83.50.
- 4 Exercised on 08/11/2022. Market value on day of exercise €53.72.

Massé Charpente  
Serrurerie  
Rochetroux, France  
Insulated Panels  
JI Wall 1000SF;  
JI 42-252-1010;  
JI 60-160-800

#### Deferred Share Plan

Director		At 31 Dec 2021	Granted during year	Vested & transferred during year	At 31 Dec 2022	Earliest vesting/ transfer date
<b>Gene M. Murtagh</b>	Unvested	813	5,021	(813)	5,021	31/03/2024
<b>Geoff Doherty</b>	Unvested	525	3,242	(525)	3,242	31/03/2024
<b>Russell Shiels</b>	Unvested	488	3,107	(488)	3,107	31/03/2024
<b>Gilbert McCarthy</b>	Unvested	-	2,998	-	2,998	31/03/2024

#### Directors' & Secretary's Interests in Shares

The beneficial interests of the directors and secretary and their spouses and minor children in the shares of the Company at the end of the financial year are as follows:

	31 Dec 2022	31 Dec 2021	Shareholding at 31 Dec 2022 <sup>1</sup> (% Salary)	Shareholding requirement met (200% salary)
<b>Executive directors</b>				
Gene M. Murtagh	1,080,020	1,079,207	6,086%	Yes
Geoff Doherty	256,635	240,039	2,240%	Yes
Russell Shiels	219,797	200,000	1,790%	Yes
Gilbert McCarthy	282,833	258,021	2,670%	Yes
<b>Non-executive directors</b>				
Jost Massenber (Chairman)	-	-		
Linda Hickey	5,000	5,000		
Michael Cawley	30,600	30,600		
John Cronin	8,000	8,000		
Anne Heraty	2,250	2,250		
Éimear Moloney	2,000	-		
Paul Murtagh	-	-		
Senan Murphy <sup>2</sup>	-	-		
<b>Company Secretary</b>				
Lorcan Dowd	3,457	3,318		

(1) Expressed as a percentage of base salary on 31 December 2022 and calculated using the average share price for December 2022.

(2) Appointed as a director as of 1 October 2022.

As at 16 February 2023, there have been no changes in the directors' and secretary's interests in shares since 31 December 2022.

#### Non-executive directors

The non-executive directors each received fees which are approved by the Board as a whole. The Chairman's fee is €350,000. The basic non-executive director fee is €75,000. An additional fee of

€15,000 is paid for chairing the Remuneration Committee and the Audit & Compliance Committee, as well as for the Senior Independent Director to reflect the additional role and responsibilities.

## Implementation of Remuneration Policy for 2023

The core principles of our remuneration philosophy as outlined earlier, frame our approach to 2023, namely reward for high-performance, simplicity, transparency and alignment with shareholders.

### Base salary and pension

Notwithstanding the highly inflationary environment, the executive directors will receive basic salary increases of 3% in 2023, which compares with general workforce increases of c.4.5% to 6%, depending on region. In determining the appropriate salaries for the executive directors for 2023, the committee had regard to the rates awarded to the global workforce, particularly in the UK and Ireland, Western Europe and North America, where the rates of pay for the general workforce are set locally, and in some cases are dictated by local legislation. In some countries the businesses have responded to the widespread cost of living crisis by also making additional one-off payments to the workforce. The committee

considers that the 3% increase awarded to the executive directors, which is substantially below general workforce rates, is appropriate in the current high inflationary environment.

As outlined previously, pension contributions of all incumbent executives are being reduced incrementally to 10% by December 2024 with rates applicable for 2023 set out in the table on page 98.

### Annual bonus

The maximum bonus opportunity for all the executive directors remains at 150% of salary (unchanged from 2022). Up to 100% of salary earned through the bonus plan is delivered in cash, and any bonus earned in excess of that amount is deferred into shares in the Company for two years. For 2023, the committee has set stretching targets based on the budget for the year and market expectations, noting the continuing backdrop of high inflation rates impacting the construction market sentiment globally. Targets are commercially sensitive and will be disclosed retrospectively with performance against them in the 2023 Report of the Remuneration Committee.

### Performance share awards

For 2023, the CEO will receive a PSP award over shares with a market value of 225% of base salary, and the other executive directors will receive PSP awards over shares with a market value of 200% of base salary. These grant levels are unchanged from prior year. As outlined above, following shareholder engagement and feedback, the committee has agreed not to increase PSP award levels above 250% of salary during the current policy period without first engaging with shareholders and considering their feedback. Overall, the annual bonus and long-term performance incentive opportunity, at up to 375% of salary in aggregate, remains below arrangements at similarly sized UK and Irish businesses.

The committee reviews annually the performance framework for the PSP scheme. For the 2023 PSP Awards, the committee has selected the same performance measures as the 2022 awards based 45% on EPS growth, 45% on relative TSR and 10% on our ESG Planet Passionate goals. The peer group against which TSR performance will be measured is set out in the below table.

Peer group for 2023 grant for PSP awards:

Armstrong World Industries Inc	Masco Corporation
Boral Ltd	Mohawk Industries Inc
Builders Firstsource Inc	Owens Corning Inc
Carlisle Construction Materials LLC	Recticel NV
Compagnie de Saint Gobain SA	Rockwool Intl. AS
CRH plc	Sika AG
Grafton Group plc	Wienerberger AG
Lafarge Holcim Ltd	

The committee reviewed the suitability of the constituent members of the PSP peer group, and noted that Cornerstone Building Brands Inc had delisted during the year, and also agreed to remove Geberit AG and Travis Perkins plc as they were no longer considered best fit as peers. The committee then considered potential replacements to add to the TSR peer group, having regard to market sector, size and geography

and agreed to select Builders Firstsource Inc, Carlisle Construction Materials LLC, Masco Corporation and Recticel NV as replacements with effect for all future PSP grants.

The committee also reviewed the EPS targets to ensure they included significant stretch over the performance period ahead and are aligned with our principles of alignment and pay-for-performance.





Having regard to the uncertain macro environment affecting our end-markets globally, and the record level of EPS achieved in prior year, the committee considered that target EPS growth of 3% to 6% compound over the three-year performance period was a proper stretch target and appropriately aligned with our risk appetite as well as internal and external forecasts.

There are no changes to the ESG measures included in the LTIP, which are measured against Kingspan's ambitious Planet Passionate goals, drawing a clear focus on achieving one of our core strategic pillars. Details of our achievements against our Planet Passionate targets are given in the below table.

### PSP Performance Measure

	Performance Measure	Weighting	Percentage vesting at threshold	Threshold vesting target	Maximum vesting target*
Financial targets	EPS	45%	25%	3% p.a.	6% p.a.
	TSR	45%	25%	Median	Upper quartile

\*Straight line vesting between threshold and maximum vesting

	Performance Measure	Weighting	Percentage vesting at threshold	2020 Base Year	2021 Actual	2022 Actual	2025 Target	2030 Target	
Planet Passionate Annual Targets	 <b>Carbon</b> Net Zero Carbon Manufacturing (scope 1 & 2 GHG emissions - tCO2e)	1%	0%	410,224	389,299	242,734	-	0	
		1%	0%	11	29	60	100	-	
	 <b>Energy</b> 60% Direct Renewable Energy Use (%)	1%	0%	19.5	25.8	34.3	-	60	
		20% On-site energy generation (%)	1%	0%	4.9	4.9	7.2	-	20
		Solar PV systems on all wholly owned facilities (%)	1%	0%	21.7	28.4	41.5	-	100
	 <b>Circularity</b> Zero company waste to landfill (tonnes)	1%	0%	18,642	16,359	9,081	-	0	
		Recycle 1 billion PET bottles into our manufacturing processes annually (million bottles)	1%	0%	573	843	803	1,000	-
		QuadCore™ products utilising recycled PET (no. of sites)	1%	0%	1	1	3	19	-
	 <b>Water</b> Harvest 100 million litres of rainwater annually (million litres)	1%	0%	20.1	20.5	26.3	-	100	

For further details on the Planet Passionate targets please see page 65.



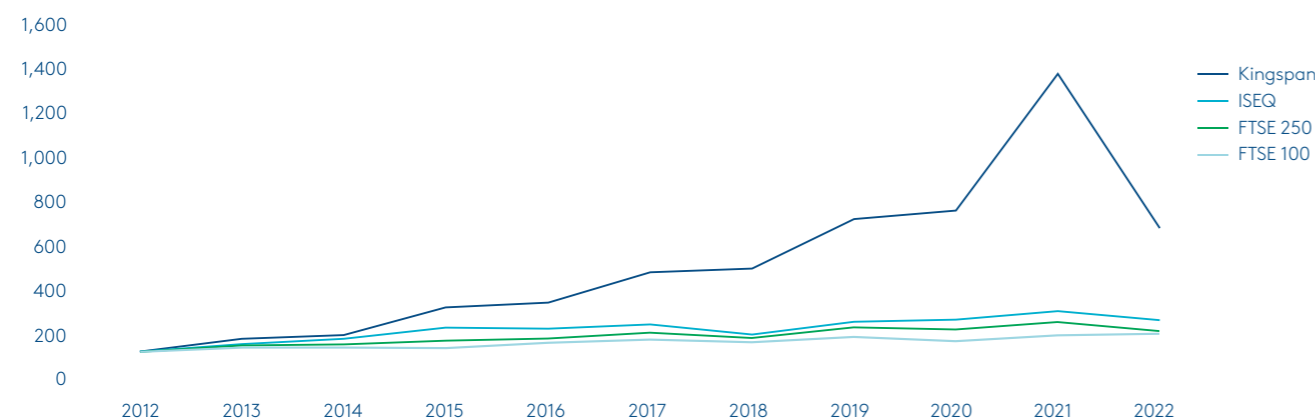
## Committee Governance

### Non-executive director fees

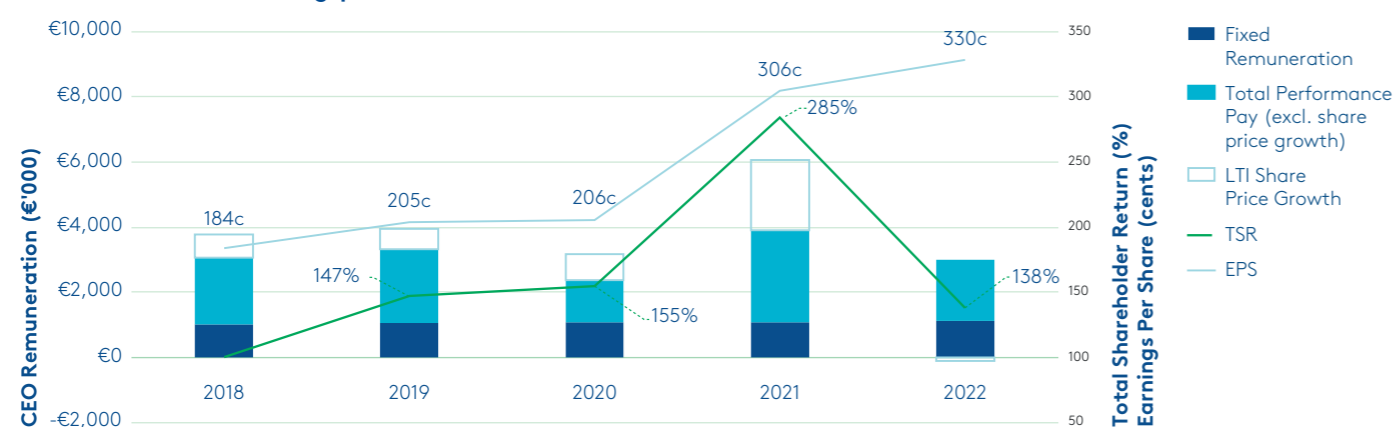
As reported last year, the independent non-executive Chairman's fee has been set at €350,000 for the year ahead. There is also no change from prior year to the basic non-executive fees of €75,000. A separate additional fee of €15,000 is paid to the chairs of the Remuneration Committee and the Audit & Compliance Committee, as well as for the Senior Independent Director.

The graph below shows the Company's TSR performance against the performance of the ISEQ and FTSE indices over the 10-year period to 31 December 2022:

### Total Shareholder Returns



### CEO Remuneration vs Kingspan Performance



### Committee membership and attendance

Name	Number of Meetings Attended	Maximum Possible Meetings
Linda Hickey (Chair)	3	3
Michael Cawley	3	3
Anne Heraty	3	3

Key strengths and relevant experience of each member of the Committee is set out on page 84.

The Chief Executive does not normally attend meetings but provides input, where relevant, to the committee Chair prior to the meeting. No individual is present at a meeting when the terms of his or her own remuneration are discussed. The Company Secretary acts as the secretary to the committee. The terms of reference are available on the Company's website: [www.kingspan.com](http://www.kingspan.com)

### Key activities during the year

	FEB	JUN	DEC
<b>Salary and fees</b>			
Engage independent consultants for policy and benchmark review		●	
Review implementation of overall remuneration policy			●
Review and approve executives' salary, role and responsibilities for 2023			●
Review and approve non-executives' fees for 2023			●
Review remuneration benchmarking report			●
Review non-financial performance measures			●
Review and approve Chairman's fee			●
<b>Performance pay</b>			
Assess Group and individual performance against targets for 2021	●		
Review executive bonus measures and weighting for 2023			●
Agree Group and individual performance targets for 2023			●
<b>PSP Awards</b>			
Assess performance of 2019/2021 PSP Awards against targets	●		
Determine percentage of 2019/2021 PSP Awards which vest	●		
Review performance measures for grants of PSP Awards for 2022	●		
Agree targets and level for grants of PSP Awards for 2022	●	●	
Review non-financial Planet Passionate measures for 2022	●		
Review and approve PSP Sub-Plan		●	
<b>Governance</b>			
Review and approve Report of the Remuneration Committee for Annual Report 2021	●		
Update on governance and remuneration trends generally			●
Consider shareholder votes and feedback from AGM 2022		●	
Engage with shareholders post AGM		●	
Review and update of remuneration policy	●		
Engage with shareholders on remuneration policy	●		
Consider shareholder outreach and feedback			●

### External advisors

The Remuneration Committee obtained advice during the year from independent remuneration consultants Korn Ferry. Korn Ferry is a member of the Remuneration Consultants Group and a signatory to its Code of Conduct, and all advice is provided in accordance with this code. Korn Ferry also provided some leadership and development services to Kingspan during the year. The committee concluded that the associated fee for the provision of this service was not material and would not affect Korn Ferry's independence and objectivity. Accordingly, the committee is satisfied that the advice obtained was objective and independent.

## Shareholder Voting

The following table summarises the details of votes cast in respect of the resolutions on the Directors' remuneration policy and the Report of the Remuneration Committee at the 2022 AGM.

Resolution	Votes For		Votes Against		Total Votes		Votes Withheld
	Number	%	Number	%	Number	% Of Total Voting Rights	
<b>Directors' Remuneration Policy</b>	118,371,401	79.85%	29,864,415	20.15%	148,235,816	81.61%	37,146
<b>Report of the Remuneration Committee</b>	144,299,108	97.34%	3,937,125	2.66%	148,236,233	81.61%	36,729

### Shareholder engagement

The committee always welcomes shareholder feedback and seeks to incorporate that feedback, where feasible, into its decision making and response.

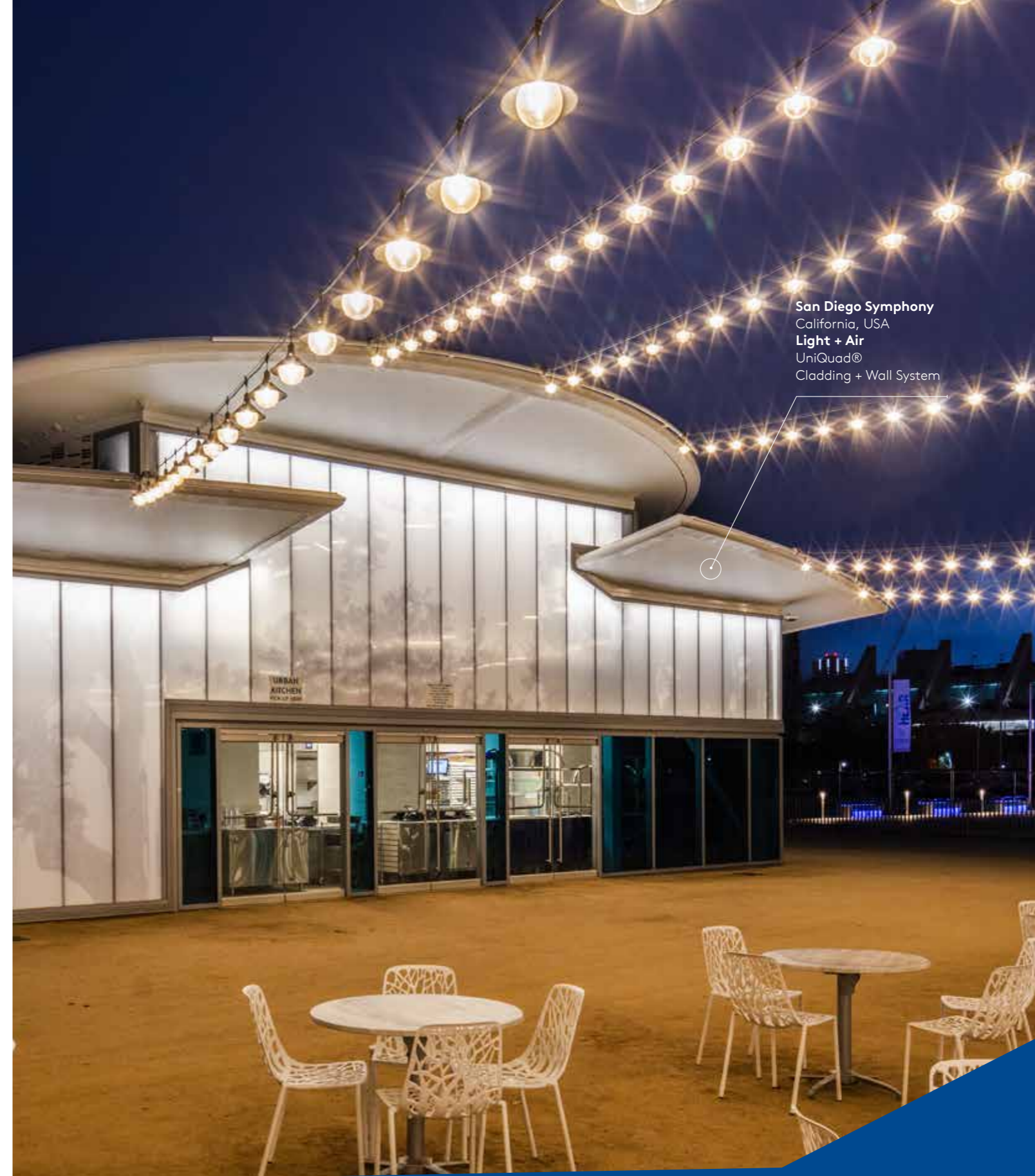
During the year the committee engaged extensively with shareholders. Firstly, in advance of the 2022 AGM we contacted shareholders representing c. 70% of the register and the committee Chair met and spoke the majority of our top 10 shareholders, sharing with them our draft Remuneration Policy proposals. Whilst there was general support from shareholders for the proposed changes, following this engagement the draft policy was amended on the basis of feedback received to omit the proposed restricted share units (which had been considered as a potential recruitment tool), before being put to shareholders for approval. At the AGM, the updated Remuneration Policy was supported by our shareholders, with almost 80% of the votes cast in favour of the Policy, and at the same time the committee was pleased to receive 97% support for the Report of the Remuneration Committee.

Following the AGM the committee engaged once more with our shareholders, writing out to those representing over 70% of the register, and the committee Chair met with several of our most significant shareholders, receiving feedback overall from shareholders representing 45% of the register. In engaging with shareholders around the AGM, we developed a clear understanding of the concerns of those who voted against the updated Remuneration Policy, as

well as those who supported it. While many shareholders acknowledged the significant increase in the scale and complexity of the business during recent years, some shareholders expressed concerns about the increase in the maximum LTIP award level in the policy and timing of the changes. Having considered the feedback, the committee noted its responsibility to develop a remuneration policy that is appropriate for the strategic development of the entire Kingspan Group, whilst also balancing the external expectations of some shareholders.

During the one to one engagements with the Chair, most of the feedback indicated that shareholders were primarily concerned about the maximum award level in the policy and not the actual level of increases proposed for 2022 PSP awards. Therefore, the committee implemented the increase in the level of PSP Awards as proposed for 2022, and will make PSP awards at the same level for 2023, being an award of 225% of base salary for the CEO, and 200% of base salary for the other executive directors (increased from 200% and 175% of salary respectively). As a response to feedback received on the maximum policy limit, the committee has agreed not to increase PSP award levels above 250% of salary during the current policy period without first engaging again with shareholders and considering their feedback. The committee is very grateful to those shareholders who engaged with the Company during the year, and whose feedback has helped shape our current Remuneration Policy.

**The committee always welcomes shareholder feedback and seeks to incorporate that feedback, where feasible, into its decision making and response.**



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# Report of the Audit & Compliance Committee

Michael Cawley

**As chairman of the Audit & Compliance Committee, I am pleased to present the report of the committee for the year ended 31 December 2022 to stakeholders and wider society.**

This report details how the Audit & Compliance Committee has met its responsibilities under its Terms of Reference, the Irish Companies Act 2014 and under the UK Corporate Governance Code (July 2018) in the last twelve months.

The Audit & Compliance Committee focused particularly on the appropriateness of the Group's financial statements. The Audit & Compliance Committee has satisfied itself, and has advised the Board accordingly, that the 2022 Annual Report and financial statements are fair, balanced and understandable, and provide the information necessary for shareholders to assess the Company's performance, business model and strategy. The significant issues that the committee considered in relation to the financial statements and how these issues were addressed are set out in this report.

The Audit & Compliance Committee note the requirements under section 225 of the Companies Act 2014 and has ensured that the directors are aware of their responsibilities and comply fully with this provision.

One of the Audit & Compliance Committee's key responsibilities is to review the Group's risk management and internal controls systems, including in particular internal financial controls. During the year, the committee carried out a robust assessment of the principal risks facing the Company and monitored the risk management and internal control system on an ongoing basis. Further details regarding these matters are also set out in this report on page 48.

The Audit & Compliance Committee also reviewed the effectiveness of both the external audit process and the internal audit function as part of the continuous improvement of financial reporting and risk management across the Group.

The Audit & Compliance Committee also has responsibility for reviewing the effectiveness of the controls and processes relating to product compliance and monitoring the culture of compliance across the Group.

**Michael Cawley**  
Chairman, Audit & Compliance Committee

Vaccines Manufacturing and Innovation Centre  
Oxfordshire, UK  
Insulated Panels  
QuadCore™

## Role and Responsibilities

The Board has established an Audit & Compliance Committee to monitor the integrity of the Company's financial statements and the effectiveness of the Group's internal financial and IT general controls. Additionally, with effect from December 2020, the committee has responsibility for reviewing the effectiveness of the processes and controls associated with product certification and the marketing of the Group's products.

The committee's role and responsibilities are set out in the committee's Terms of Reference which are available from the Company and are displayed on the Group's website ([www.kingspan.com](http://www.kingspan.com)). The Terms of Reference are reviewed annually and amended where appropriate. During the year the committee worked with management, the external auditors, Group Internal Audit, and other members of the senior management team in fulfilling these responsibilities.

The Audit & Compliance Committee report deals with the key areas in which the Audit & Compliance Committee plays an active role and has responsibility. These areas are as follows:

1. Financial reporting and related primary areas of judgement;
2. The external audit process;
3. The Group's internal audit function and risk management controls;
4. The Group's product compliance and certification function;
5. Compliance with the Group Marketing Integrity Manual; and
6. Governance.

### Committee membership

As at 31 December 2022, the Audit & Compliance Committee comprises four independent non-executive directors who are Michael Cawley (chairman), Anne Heraty, Éimear Moloney and Senan Murphy. Senan Murphy joined the committee in October 2022. The

biographies of each can be found on pages 76 to 77.

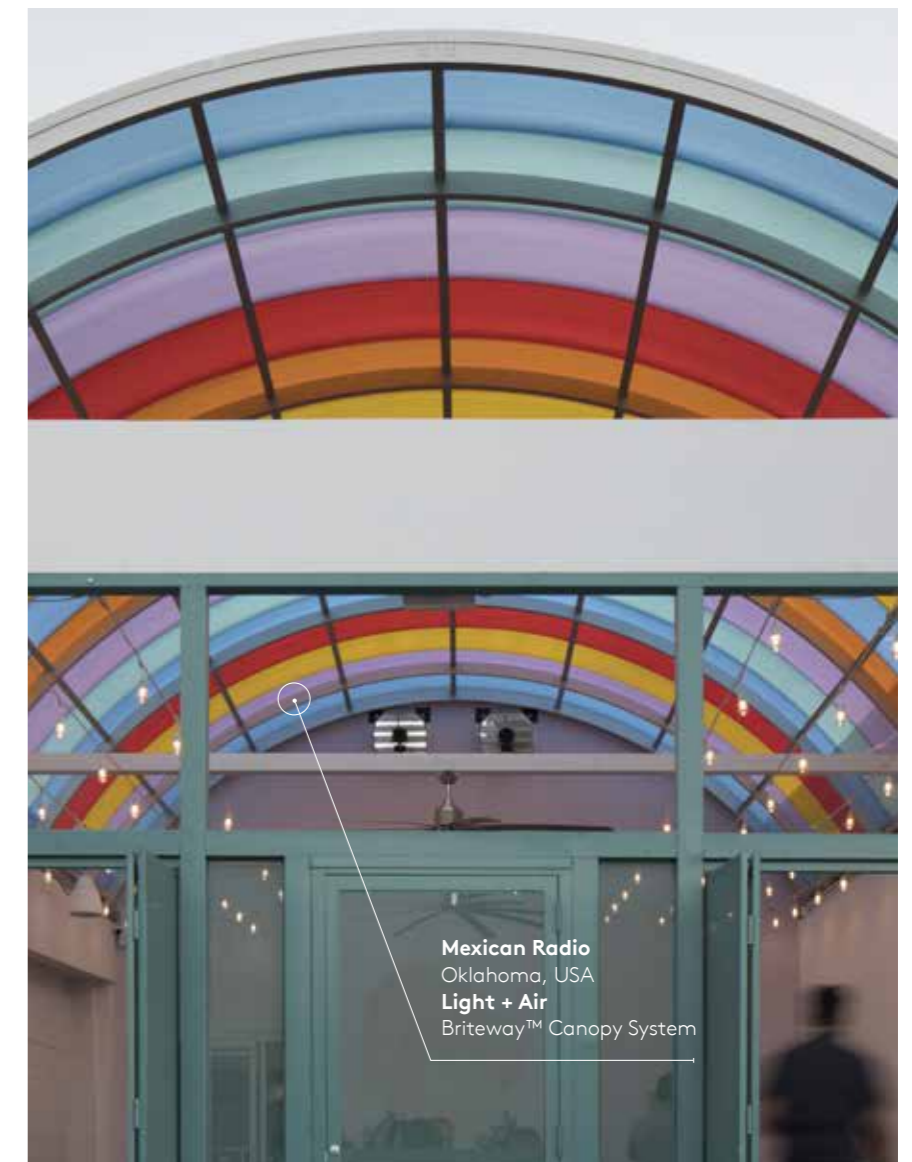
The Board considers that the committee has an appropriate and experienced blend of commercial, financial and industry expertise to enable it to fulfil its duties, and that the committee chairman, Michael Cawley B.Comm., F.C.A., and its member, Senan Murphy B.Comm.,

F.C.A, have appropriate recent and relevant financial experience.

### Meetings

The committee met five times during the year ended 31 December 2022 and attendance at the meetings is noted below. Matters under review by the Audit & Compliance Committee at each meeting is also noted overleaf.

Committee Member	Attended	Eligible	Appointment Date
Michael Cawley	5	5	2014
Anne Heraty	5	5	2019
Éimear Moloney	5	5	2021
Senan Murphy	2	2	2022



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Audit & Compliance Committee Activities	Feb	Jun	Aug	Oct	Nov
<b>Financial Reporting</b>					
Review and approve preliminary & half-year results	●		●		
Consider key audit and accounting issues and judgements	●	●	●		●
Approve going concern and viability statements	●		●		
Consider accounting policies and the impact of new accounting standards	●	●	●		●
Review management letter from auditors	●				
Review of any related party matters and intended disclosures	●		●		
Review Annual Report, and confirm if fair, balanced and understandable	●				
<b>External Auditor (EY)</b>					
Ongoing assessment of auditor performance	●	●	●		●
Approval of external audit plan		●	●		●
Review reports and correspondence from the auditor to the Audit & Compliance Committee	●	●	●		●
Confirm auditor independence and consider non-audit services and materiality of related fees	●				●
Review and consideration of audit fees					●
<b>Internal Audit and Risk Management Controls</b>					
Review of internal audit reports and monitor progress on open actions	●	●	●		●
Approve internal audit plan and resources, taking account of risk management	●	●	●		●
Review of financial and IT general controls	●	●	●		●
Review of Group cybersecurity strategy		●			
Review of internal audit reports for cybersecurity controls	●	●	●		●
Review and approve the structure of the internal audit team	●	●	●		●
Review details of global fraud and cyber-attack attempts and management response	●	●	●		●
Monitor Group whistleblowing procedures and reports	●	●	●		●
Assessment of compliance with Group Global Sanctions policy	●	●	●		●
Review of Group liquidity position	●	●	●		
Assessment of the principal risks and effectiveness of internal control systems					●
<b>Product Compliance &amp; Certification</b>					
Review and approve internal audit plan for audit of product marketing compliance with Group Marketing Integrity Manual	●	●	●		●
Review of internal audit reports relating to product marketing compliance	●	●	●		●
Review and consider the structure and expertise of the product compliance and certification team				●	●
Meetings and updates from Group Head of Compliance & Certification and divisional compliance teams				●	●
Discussions with divisional management on product compliance and certification matters as well as site visits		●		●	●
<b>Governance</b>					
Review accounting regulator correspondence		●			●
Evaluation of external and internal audit functions	●	●	●		●
Review and approve Directors' Compliance Statement	●				

Each quarterly committee meeting was attended by the Group Chief Financial Officer and the Head of Internal Audit & Compliance. The external auditor also attended each quarterly meeting. The Company Secretary is the secretary of the Audit & Compliance Committee and also attended each meeting. Other directors can attend the meetings as required.

The chairman of the Audit & Compliance Committee also met with both the Head of Internal Audit & Compliance and the external audit lead partner outside of committee meetings as required throughout the year.

#### Committee evaluation

As outlined on page 84 within the Corporate Governance Statement, the review of the performance of the Board also includes a review of the committees. Any recommendations raised in relation to the Audit & Compliance Committee are acted upon in a formal and structured manner. No issues were identified for the year ended 31 December 2022.

#### Financial reporting

The committee is responsible for monitoring the integrity of the Group's financial statements and reviewing the financial reporting judgements contained therein. The financial statements are prepared by a finance team with the appropriate qualifications and expertise.

The committee confirmed to the Board that the Annual Report, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.

In respect of the year to 31 December 2022, the committee reviewed:

- the Group's Trading Updates issued in April, June and November 2022;
- the Group's Interim Report for the six months to 30 June 2022; and

- the Preliminary Announcement and Annual Report to 31 December 2022.

In carrying out these reviews, the committee:

- reviewed the appropriateness of Group accounting policies and monitored changes to, and compliance with, accounting standards on an ongoing basis;
- discussed with management and the external auditor the critical accounting policies and judgements that had been applied;
- compared the results with management accounts and budgets, and reviewed reconciliations between these and the final results;
- discussed a report from the external auditor at that meeting identifying the significant accounting and judgemental issues that arose in the course of the audit;
- considered the management representation letter requested by the external auditor for any non-standard issues and monitored action taken by management as a result of any recommendations;
- discussed with management future accounting developments which are likely to affect the financial statements;
- reviewed the budgets and strategic plans of the Group to ensure that all forward looking statements made within the Annual Report reflect the actual position of the Group; and
- considered key areas in which estimates and judgement had been applied in preparation of the financial statements including, but not limited to, a review of fair values on acquisition, the carrying amount of goodwill, intangible assets and property, plant and equipment, litigation and warranty provisions, recoverability of trade receivables, valuation of inventory, hedge accounting treatments, treasury matters and tax matters.

**The committee confirmed to the Board that the Annual Report, taken as a whole, is fair, balanced, and understandable and provides the information necessary for shareholders to assess the Company's position and performance, business model and strategy.**

The primary areas of judgement considered by the committee in relation to the Group's 2022 financial statements, and how they were addressed by the committee are set out overleaf.

Each of these areas received particular focus from the external auditor, who provided detailed analysis and assessment of the matter in their report to the committee.

In addition, the Internal Audit team reviews the businesses covered in its annual Internal Audit Plan, as agreed by the committee, and reports its findings to the Audit & Compliance Committee throughout the year. These internal audit reviews are focused on areas of judgement such as warranty provisions, trade receivables and inventory, and provide the committee with information on the adequacy and appropriateness of provisions in these areas.

Primary areas of judgement	Committee activity
<b>Adequacy of warranty provisions</b>	The committee reviewed the judgements applied by management in assessing both specific and risk based warranty provisions at 31 December 2022. The committee reviewed and discussed with management the monthly reports presented to the Board which set out, for each of the Group's divisions, warranty provisions and warranty costs and analyse these costs as a percentage of divisional sales. Warranty provisions are reviewed on an ongoing basis throughout the year in conjunction with the internal audit process. The committee was satisfied that such judgements were appropriate and the risk had been adequately addressed.
<b>Recoverability of trade receivables and adequacy of provision</b>	The committee reviewed the judgements applied by management in determining the provision for expected credit loss at 31 December 2022. The committee reviewed and discussed with management the monthly board report which sets out aged analysis of gross receivables balances and associated provisions for expected credit loss and reviewed security (including credit insurance) that is in place. Expected credit loss provisions are reviewed on an ongoing basis throughout the year in conjunction with the internal audit process. The committee was satisfied that such judgements were appropriate and the risk had been adequately addressed.
<b>Accounting for acquisitions</b>	Total acquisition consideration in 2022 amounted to €887.0m. The committee discussed with management and the external auditors the accounting treatment for newly acquired businesses, and the related judgements made by management, and were satisfied that the treatment in the Group's financial statements was appropriate.
<b>Consideration of impairment of goodwill</b>	<p>The committee considered the annual impairment assessment of goodwill prepared by management for each Cash Generating Unit ("CGU") using a discounted cash flow analysis based on the strategic plans approved by the Board, including a sensitivity analysis on key assumptions. The primary judgement areas were the achievability of the long term business plans and the key macroeconomic and business specific assumptions. In considering the matter, the committee discussed with management the judgements made and the sensitivities performed. Further detail of the methodology is set out in Note 10 to the financial statements.</p> <p>EY also provided the committee with their evaluation of the impairment review process.</p> <p>Kingspan completed 6 acquisitions during the financial year. The measurement of goodwill is not yet finalised for all acquisitions but the methodology of the assessments of such items of goodwill was presented to the committee and the results were deemed appropriate.</p>
<b>Valuation of inventory and adequacy of inventory provision</b>	The committee reviewed the valuation and provisioning for inventory at 31 December 2022. The main area of judgement was the level of provisioning required for slow moving and obsolete inventory. The committee reviewed and discussed with management the monthly board report which sets out, for each of the Group's divisions, gross inventory balances and associated obsolescence provision including an analysis by inventory, category and ageing. Inventory provisions are reviewed on an ongoing basis throughout the year in conjunction with the internal audit process. The committee was satisfied that such judgements were appropriate, and the risk had been adequately addressed.
<b>Taxation</b>	Provisioning for potential current tax liabilities and the level of deferred tax asset recognition in relation to accumulated tax losses are underpinned by a range of judgements. The committee addresses these issues through a range of reporting from senior management and a process of challenging the appropriateness of management's views including the degree to which these are supported by professional advice from external legal and other advisory firms. This assessment was conducted in line with the provisions of IFRIC 23. The Group's accounting manual sets out detailed policies that prescribe the methodology to be used by management in calculating the above provisions. Each division formally confirms compliance with these policies on an annual basis. The committee was satisfied that such judgements were appropriate, and the risk had been adequately addressed.

#### External auditor

The Audit & Compliance Committee has responsibility for overseeing the Group's relationship with the external auditor including reviewing the audit team, the quality and effectiveness of their performance, their external audit plan and process, their independence from the Group, their appointment and their audit fee proposals.

#### Performance and audit plan

Following the completion of the 2021 year end audit, the committee carried out a review of the effectiveness of the external auditor and the audit process. This review involved discussions with both Group management and internal audit, and feedback provided by divisional management. The committee continues to monitor the performance, independence and objectivity of the external auditors and takes this into consideration when making its recommendations to the Board on the remuneration, the terms of engagement and the re-appointment, or otherwise, of the external auditors.

Prior to commencement of the 2022 year end audit, the committee approved the external auditor's work plan and resources and agreed with the auditor's various key areas of focus, including accounting for acquisitions, warranty provisions and revenue recognition.

During the year the committee met with the external auditor without management being present. This meeting provided the opportunity for direct dialogue and feedback between the committee and the auditor, where they discussed inter alia some of the key audit management letter points.

#### EU audit reform

The regulatory framework for the Group's statutory audit is governed by EU legislation under Directive 2014/56/EU and Regulation EU No. 537/2014. EU Audit reform legislation is applicable in the Member States of the European Union, including Ireland. Under this legislation, Kingspan Group plc is considered a Public Interest Entity ("PIE"). Key developments falling from the implementation of this legislation are:

- a requirement that the PIE changes its statutory auditor every ten years (following rotation, the statutory audit firm cannot be reappointed for four years);
- a requirement that certain procedures are followed for the selection of the new statutory auditor; and
- restrictions on the entitlement of the statutory auditing firm to provide certain non-audit services.

Kingspan Group plc has fully complied with such EU Audit Reform. With regards audit firm rotation, EY, has been the external auditor since the financial year commencing 1 January 2020.

#### Independence and objectivity

The committee is responsible for ensuring that the external auditor is objective and independent. EY was appointed as the Group's auditor on 1 May 2020, following a formal tender process in which several leading global firms submitted written tenders and delivered in-person presentations. The lead audit partner is rotated every five years and is currently Pat O'Neill.

The committee received confirmation from the external auditor that they are independent of the Group under the requirements of the IAASA Ethical Standard for Auditors (Ireland) 2020.

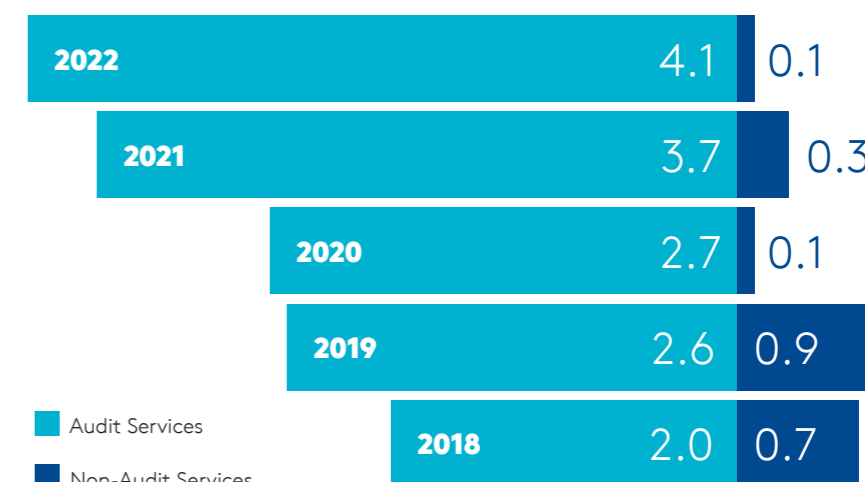
The external auditor also confirmed that they were not aware of any relationships between the Group and the firm or between the firm and any persons in financial reporting oversight roles in the Group that may affect its independence.

#### Non-audit services

To further ensure independence, the committee has a policy on the provision of non-audit services by the external auditor that seeks to ensure that the services provided by the external auditor are not, or are not perceived to be, in conflict with auditor independence. By obtaining an account of all relationships between the external auditor and the Group, and by reviewing the economic importance of the Group to the external auditor by monitoring the audit fees as a percentage of total income generated from the relationship with the Group, the committee ensured that the independence of the external audit was not compromised. The committee's policy on the provision of non-audit services by the Group's external auditor is fully compliant with EU Audit Reform legislation.

An analysis of fees paid to the external auditor, including the non-audit fees, is set out in Note 6 and below:

#### Audit V Non-Audit Services (€m)



### Internal audit & compliance

The committee reviewed and agreed the annual internal audit plan, which the committee believes is appropriate to the scope and nature of the Group. The internal audit plan is risk based, with all divisions audited every year, and all new businesses audited within 12 months of acquisition.

The committee reviewed reports from the Head of Internal Audit & Compliance at its quarterly meetings. These reports enable the committee to monitor the progress of the internal audit plan, to discuss key findings and the plan to address them in addition to status updates of previous key findings.

The committee is responsible for reviewing the effectiveness of the internal audit function and does so based upon discussion with Group management, the Group's external auditor and feedback provided by divisional management. The committee was satisfied that the internal audit function is working effectively, improves risk management throughout the Group and that the internal audit function team is sufficiently resourced in addition to having the adequate level of experience and expertise.

The terms of reference of the Audit & Compliance Committee were extended in December 2020 to include oversight of the processes around product certification and product marketing. The Head of Internal Audit & Compliance also reports to the committee in this regard.

### Risk management and internal controls

The Audit & Compliance Committee has been delegated, from the Board, the responsibility for monitoring the effectiveness of the Group's system of risk management and internal control. The Audit & Compliance Committee monitors the Group's risk management and internal control processes through detailed discussions with management and executive directors, the review and approval of the internal audit reports, which focus on the areas of greatest risk to the Group, and the external audit reports, as part of both the year end

audit and the half year review process, all of which highlight the key areas of control weakness in the Group. All weaknesses identified by either internal or external audit are discussed by the committee with Group management and an implementation plan for the targeted improvements to these systems is put in place. The implementation plan is overseen by the Group Chief Financial Officer and the committee is satisfied that this plan is being properly executed.

As part of its standing schedule of business, the committee carried out an annual risk assessment of the business to formally identify the key risks facing the Group. Full details of this risk assessment and the key risks identified are set out in the Risks & Risk Management section of this Annual Report on pages 49 - 54.

These processes, which are used by the Audit & Compliance Committee to monitor the effectiveness of the Group's system of risk management and internal control, are in place throughout the accounting period and remain in place up to the date of approval of this Annual Report.

The main features of the Group's internal control and risk management systems that specifically relate to the Group's financial reporting and accounts consolidation process are set out in the Report of the Directors on page 120.

### Product compliance & certification

With effect from December 2020, the Audit & Compliance Committee has responsibility for reviewing the effectiveness of the processes and controls associated with product compliance and monitoring the culture of compliance across the Group.

The Group product compliance framework can be split into two categories:

1. Compliance of products with product specific laws and regulations, testing, certification and accreditation; and
2. The accuracy and consistency of product marketing materials.

The Group Product Compliance & Certification Team, led by the Group Head of Compliance & Certification, is independent of divisional management and performs the following functions:

- Supports compliance governance across the Group in implementing policies, processes, and procedures to ensure continued improvement in management systems. This includes ownership of the Group Product Compliance Policy;
- Performs extensive audits of processes and controls associated with product compliance and the monitoring of compliance across the Group; and
- Leads the Group Compliance Management System (CMS) which has achieved the international ISO 37301 standard.

The Audit & Compliance Committee meet with the Group Head of Compliance & Certification for updates on the Group's compliance and certification agenda. This includes updates on the product compliance audit schedule and the results of completed audits as well as reviewing the Group Compliance Auditing Guidelines. The Audit & Compliance Committee also visit sites with the Group Product Compliance & Certification team to better understand the product compliance culture at an operational level.

The Audit & Compliance Committee also meet regularly with the Group Head of Internal Audit & Compliance in relation to product marketing compliance matters. Following the adoption of the Group Marketing Integrity Manual in September 2021, the Group Internal Audit Plan includes specific audits, performed by appropriately trained internal auditors, of product marketing compliance with the Group Marketing Integrity Manual.

Read more  
in our Sustainability  
Report on pages  
56 - 73

NFL  
California, USA  
Data + Flooring  
ConCore®

The Audit & Compliance Committee noted the following product compliance highlights in 2022:

- An additional 17 sites have been accredited with the leading international compliance standard, ISO 37301. This now brings the total number of sites with this accreditation to 26 with a plan to have 58 sites certified to the standard by the end of 2023.
- Updated Group Compliance Auditing Guidelines issued.
- 98 internal product compliance audits were conducted by the Group Product Compliance and Certification team.
- 651 external product compliance audits were conducted by independent certification bodies.
- 19 product marketing audits were performed by the Group Internal Audit & Compliance team.
- ISO 37301 education and training systems launched.

- Incorporation of newly acquired businesses into the Compliance Management System (CMS).
- Recruitment of additional compliance experts for Group Internal Audit and Group Compliance & Certification teams.
- Divisional Compliance Managers reporting to Group Compliance & Certification team monthly.
- Product compliance registers in place across all divisions.

### Whistleblowing procedures

The Group has a Code of Conduct, full details of which are available on the Group's website ([www.kingspan.com](http://www.kingspan.com)).

Based on the standards set out in this Code of Conduct, the Group employs a comprehensive, confidential, and independent whistleblowing service to allow all employees to raise their concerns about their working environment and business practices. This service then allows management and employees

to work together to address any instances of fraud, abuse, and other misconduct in the workplace.

Any instances of fraud, abuse or misconduct reported on the whistleblowing service are reported to the Head of Internal Audit & Compliance and the Company Secretary, who ensure each incident is appropriately investigated and then report to the committee details of the incident, key control failures, any financial loss and actions for improvement. All reports through the whistleblower line and all fraud attempts are presented at each Audit & Compliance Committee meeting.

During the year, the committee reviewed the Group's whistleblowing process and were satisfied with the design and operating effectiveness of the process.

# Report of the Directors

Gene M. Murtagh  
Geoff Doherty

The directors of Kingspan Group plc ("Kingspan") have pleasure in presenting their report with the audited financial statements for the year ended 31 December 2022.

This Report of the Directors and the Business & Strategic Report on pages 20-73 together comprise the 'Management Report' for the purposes of the Transparency (Directive 2004/109/EC) Regulations 2007 of Ireland and the Disclosure Guidance and Transparency Rules of the UK Financial Conduct Authority.

Băicoi, Romania  
Insulated Panels

Annually Generating

422 MWh  
(estimated)

## Information incorporated by reference

The following information is provided in other appropriate sections of this Annual Report and the financial statements and is incorporated into this Report of the Directors by reference:

Information	Reported in	Page(s)
A review of the business of the Group.	Chief Executive's Review	32-41
The Group's Key Performance Indicators.	Financial Review	43-47
A description of likely future developments in the Group's business.	Chief Executive's Review	41
A description of the principal risks and uncertainties that could affect the Group's business.	Risk & Risk Management	49-54
The Company's application of the principles, and compliance with the provisions, of the 2018 UK Corporate Governance Code and the Irish Corporate Governance Annex.	Report of the Nominations & Governance Committee	78-86
The names and biographical details of the Directors.	The Board	75-77
The Directors' and Company Secretary's interests in shares and debentures.	Report of the Remuneration Committee	101-103
The Group's financial risk management objectives and policies and a description of the use of financial instruments.	Financial Statements, Note 20	170-177
The amount of interim dividends (if any) paid by the Company during the year and the amount (if any) that the directors recommend should be paid by way of final dividend.	Financial Review	44
Information required by the European Union (Disclosure of Non-Financial and Diversity Information by certain large undertakings and groups) Regulations 2017.	Sustainability Report	56-72

## Principal Activities

Kingspan is the global leader in high-performance insulation and building envelope solutions. Kingspan Group plc is a holding company for the Group's subsidiaries and other entities. The Group's principal activities comprise the manufacture and distribution of the following product suites as part of the complete "Building Envelope":

### Insulated Panels

Manufacture of insulated panels, structural framing and metal facades.

### Water + Energy

Manufacture of energy and water solutions and all related service activities.

### Insulation

Manufacture of rigid insulation boards, technical insulation and engineered timber systems.

### Data + Flooring

Manufacture of data centre storage solutions and raised access floors.

### Light + Air

Manufacture of daylighting, smoke management, ventilation systems and service activities.

### Roofing + Waterproofing

Manufacture of roofing and waterproofing solutions for renovation and new construction of buildings.

Read more  
about our directors  
on page 75-77

Kingspan's six key business divisions offer a suite of complementary building envelope solutions for both the new build and refurbishment markets.

## Innovation

At Kingspan, innovation is a core pillar of our strategy and we view it as a key strategic advantage. We believe building industry traditions must be challenged through innovation in advanced materials and digital technologies in order to achieve a net zero emissions future.

We have innovated a portfolio of advanced products and solutions for architects and building owners which enable them to construct buildings that consume less resources. Future proofing their investment, generating returns through enhanced internal space and operational performance, and facilitating efficient construction through thinner, lighter and safer to handle materials. Increasingly we are enhancing our service and solutions through digitisation. By surfacing our products digitally, we're making it easier to find them, specify them, buy them, build with them and track them.

In the year ended 31 December 2022, the Group's research and development expenditure amounted to €60.3m (2021: €40.9m). Research and development expenditure is generally expensed in the year in which it is incurred. Kingspan's continuing investment in research and development involves a number of key projects which include:

- PV solar-integrated PowerPanel™ Wall;
- QuadCore™ 2.0;
- Kooltherm® 200 series;
- Launch of lower embodied carbon insulated panel;
- Decarbonisation of materials;
- Digitalisation of the construction industry;
- Translucent insulated solutions;
- Lower carbon acoustic solutions; and
- Bio-based low carbon insulation.

## Internal control and risk management systems

The Board confirms that there is an ongoing process for identifying, evaluating and managing any significant risks faced by the Group. This process has been in place for the year under review and up to the date of approval of the financial statements, and it is regularly reviewed by the Board in compliance with 'Guidance on Risk Management, Internal Control and Related Financial and Business Reporting' issued by the Financial Reporting Council.

The Board has delegated responsibility to the Audit & Compliance Committee to monitor and review the Group's risk management and internal control processes, including the financial, operational and compliance controls. This is done through detailed discussions with management and the executive directors, the review and approval of the internal audit reports, which focus on the areas of greatest risk to the Group, and the external audit reports, as part of both the year end audit and the half year process, all of which are designed to highlight the key areas of control weakness in the Group. Further details of the work conducted by the Audit & Compliance Committee in this regard is detailed in the Report of the Audit & Compliance Committee contained in this Annual Report.

The main features of the Group's internal control and risk management systems that relate specifically to the Group's financial reporting processes are:

- Budgets and strategic plans are approved annually by the Board and compared to actual performance and forecasts on a monthly basis;
- Sufficiently sized finance teams with appropriate level of experience and qualifications throughout the Group;
- Formal Group Accounting Manual in place which clearly sets out the Group financial policies in addition to the formal controls;

- Formal IT and treasury policies and controls in place;
- Centralised tax and treasury functions;
- Sales are submitted and reviewed on a weekly basis whilst full reporting packs are submitted and reviewed on a monthly basis; and
- Internal audit function review financial controls and report results/findings on a quarterly basis to the Audit & Compliance Committee.

The main features of the Group's internal control and risk management systems that relate specifically to the Group's consolidation process are:

- The review of reporting packages for each entity as part of the year end audit process;
- The reconciliation of reporting packages to monthly management packs as part of the audit process and as part of management review;
- The validation of consolidation journals as part of the management review process and as an integral component of the year end audit process;
- The review and analysis of results by the Chief Financial Officer and the internal auditors with the management of each division;
- Consideration by the Audit & Compliance Committee of the outcomes from the annual risk assessment of the business; and
- The review of internal and external audit management letters by the Chief Financial Officer, Head of Internal Audit & Compliance and the Audit & Compliance Committee and the follow up of any critical management letter points to ensure issues highlighted are addressed.

In addition, the remit of the Audit & Compliance Committee also includes reviewing the effectiveness of the controls and processes relating to product compliance by:

- Reviewing reports from the Group Head of Compliance relating to product compliance, certification and accreditation, including implementation status of the Group's ISO 37301 Compliance Management Systems targets;
- Auditing compliance with the Group Marketing Integrity Manual incorporating the CCPI best practice principles; and
- Monitoring the culture of compliance across the Group.

Further information on the risks faced by the Group and how they are managed are set out in the Risk & Risk Management section of this Annual Report.

## Accounting Records

The directors are responsible for ensuring that accounting records, as outlined in Sections 281 to 285 of the Companies Act 2014, are kept by the Group. The directors have provided appropriate systems and resources, including the appointment of suitably qualified accounting personnel, to maintain adequate accounting records throughout the Group, in order to ensure that the requirements of Sections 281 to 285 are complied with. The accounting records of the Company are maintained at the principal executive offices located at Dublin Road, Kingscourt, Co. Cavan, A82 XY31, Ireland.

## The European Communities (Takeover Bids (Directive 2004/25/EC)) Regulations 2006

The information required by Regulation 21 of the above Regulations as at 31 December 2022 is set out below.

## Structure of the Company's share capital

At 31 December 2022, the Company had an authorised share capital comprised of 250,000,000 (2021: 250,000,000) ordinary shares of €0.13 each and the Company's total issued share capital comprised 183,591,682 (2021: 183,591,682) ordinary shares.





Analysis of registered shareholding accounts as at 31 December 2022:

Shareholding range	Number of accounts	% of total	Number of shares held	% of total
1 - 1,000	1,410	69.76	613,413	0.33
1,001 - 10,000	563	27.86	1,557,818	0.85
10,001 - 100,000	42	2.08	926,289	0.51
100,001 - 1,000,000	3	0.15	392,162	0.21
Over 1,000,000	3	0.15	180,102,000	98.10
	<b>2,021</b>	<b>100.00</b>	<b>183,591,682</b>	<b>100.00</b>

As at 16 February 2023, the Company had received notification of the interests outlined in the table below, in its ordinary share capital, which were equal to, or in excess of, 3%:

Notification Date	Shareholder	Shares held	%
27/01/2021	Eugene Murtagh	27,018,000	14.88%
10/02/2023	Blackrock, Inc.	12,742,227	7.00%
14/09/2022	The Capital Group Companies, Inc.	12,656,818	6.97%
16/08/2022	FMR LLC	9,140,784	5.03%
30/06/2022	Allianz Global Investors GmbH	9,036,243	4.97%
07/11/2022	Generation Investment Management LLP	7,273,788	4.00%

The number of shares held as treasury shares at the beginning of the year was 2,254,140 (1.24% of the then issued share capital (excluding treasury shares)) with a nominal value of €293,037. A total of 287,028 shares (0.16% of the issued share capital (excluding treasury shares)) with a nominal value of €37,313 were re-issued during the year consequent to the exercise of share options under the Kingspan Group Performance Share Plan and the Kingspan Group Employee Benefit Trust. A further 15,361 shares (with a nominal value of €1,997) were bought back by the Company and held in treasury for the purpose of the Deferred Bonus Scheme, leaving a balance held as treasury shares as at 31 December 2022 of 1,982,473 (1.09% of the issued share capital (excluding treasury shares)) with a nominal value of €257,721.

#### Rights and obligations attaching to the ordinary shares

The Company has no securities in issue conferring special rights with regards control of the Company.

All ordinary shares rank *pari passu*, and the rights attaching to the ordinary shares (including as to voting and transfer) are as set out in the Company's Articles of Association ("Articles"). The Articles also contain

the rules relating to the appointment and removal of directors, rules relating to amending the Articles, the powers of the Company's directors and in relation to issuing or buying back by the Company of its shares. A copy of the Articles may be found on [www.kingspan.com](http://www.kingspan.com) or may be obtained on request from the Company Secretary.

Holders of ordinary shares are entitled to receive duly declared dividends in cash or, when offered, additional ordinary shares. In the event of any surplus arising on the occasion of the liquidation of the Company, shareholders would be entitled to a share in that surplus pro rata to their holdings of ordinary shares.

Holders of ordinary shares are entitled to receive notice of and to attend, speak and vote in person or by proxy, at general meetings having, on a show of hands, one vote, and, on a poll, one vote for each ordinary share held. Procedures and deadlines for entitlement to exercise, and exercise of, voting rights are specified in the notice convening the general meeting in question. There are no restrictions on voting rights except in the circumstances where a "Specified Event" (as defined in the Articles) shall have occurred and the directors

have served a Restriction Notice on the shareholder. Upon the service of such Restriction Notice, no holder of the shares specified in the notice shall, for so long as such notice shall remain in force, be entitled to attend or vote at any general meeting, either personally or by proxy.

#### Holding and transfer of ordinary shares

The ordinary shares may be held in either certificated or uncertificated form (through the Euroclear Bank system or (via a holding of CDIs) the CREST system).

Save as set out below, there is no requirement to obtain the approval of the Company, or of other shareholders, for a transfer of ordinary shares. The directors may decline to register (a) any transfer of a partly-paid share to a person of whom they do not approve, (b) any transfer of a share to more than four joint holders, (c) any transfer of a share on which the Company has a lien, and (d) any transfer of a certificated share unless accompanied by the share certificate and such other evidence of title as may reasonably be required. The registration of transfers of shares may be suspended at such times and for such periods (not exceeding 30 days in each year) as the directors may determine.

Transfer instruments for certificated shares are executed by or on behalf of the transferor and, in cases where the share is not fully paid, by or on behalf of the transferee. Transfers of uncertificated shares may be effected by means of a relevant system in the manner provided for in the Regulation (EU) No. 909/2014 of the European Parliament and of the Council of 23 July 2014 (the "CSD Regulations") and the rules of the relevant system. The directors may refuse to register a transfer of uncertificated shares only in such circumstances as may be permitted or required by the CSD Regulations.

#### Rules concerning the appointment and replacement of the directors and amendment of the Company's Articles

Unless otherwise determined by ordinary resolution of the Company, the number of directors shall not be less than two or more than 15.

Subject to that limit, the shareholders in general meeting may appoint any person to be a director either to fill a vacancy or as an additional director. The directors also have the power to co-opt additional persons as directors, but any director so co-opted is under the Articles, required to be submitted to shareholders for re-election at the first Annual General Meeting ('AGM') following his or her co-option.

The Articles require that at each AGM of the Company one-third of the directors retire by rotation. However, in accordance with the recommendations of the UK Corporate Governance Code, the directors have resolved they will all retire and submit themselves for re-election by the shareholders at the AGM to be held on 28 April 2023.

The Company's Articles may be amended by special resolution (75% majority of votes cast) passed at general meeting.

#### Powers of directors including powers in relation to issuing or buying back by the Company of its shares

Under its Articles, the business of the Company shall be managed by the directors, who exercise all powers

of the Company as are not, by the Companies Acts or the Articles, required to be exercised by the Company in general meeting.

The directors are currently authorised to issue a number of shares equal to the authorised but as yet unissued share capital of the Company on such terms as they may consider to be in the best interests of the Company, under an authority that was conferred on them at the AGM held on 29 April 2022. The directors are also currently authorised on the issue of new equity for cash to disapply the strict statutory pre-emption provisions that would otherwise apply, provided that the disapplication is limited to the allotment of equity securities in connection with (i) any rights issue or any open offer to shareholders, or (ii) the allotment of shares not exceeding in aggregate 5% of the nominal value of the Company's issued share capital, or (iii) for the purpose of financing (or refinancing) an acquisition or other capital investment of a kind contemplated by the UK Pre-Emption Group not exceeding in aggregate 5% of the nominal value of the Company's issued share capital. Both these authorities expire on 29 July 2023 unless renewed and resolutions to that effect are being proposed at the AGM to be held on 28 April 2023.

The Company may, subject to the Companies Acts and the Articles, purchase any of its shares and may either cancel or hold in treasury any shares so purchased, and may re-issue any such treasury shares on such terms and conditions as may be determined by the directors. The Company shall not make market purchases of its own shares unless such purchases have been authorised by a special resolution passed by the members of the Company at a general meeting. At the AGM held on 29 April 2022, shareholders passed a resolution giving the Company, or any of its subsidiaries, the authority to purchase up to 10% of the Company's issued ordinary shares. At the AGM to be held on 28 April 2023, shareholders are being asked to renew this authority.

#### Miscellaneous

There are no agreements between shareholders that are known to the Company which may result in restrictions on the transfer of securities or voting rights.

Certain of the Group's banking facilities include provisions that, in the event of a change of control of the Company, could oblige early prepayment of the facilities. Certain of the Company's joint venture arrangements also contain provisions that would allow the counterparty to terminate the agreement in the event of a change of control of the Company. The Company's Performance Share Plan contains change of control provisions which allow for the acceleration of the exercise of awards in the event of a change of control of the Company.

There are no agreements between the Company and its directors or employees providing for compensation for loss of office or employment (whether through resignation, purported redundancy or otherwise) that occurs because of a takeover bid.

#### Directors and Secretary

The directors and secretary of the Company at the date of this report are as shown in this Annual Report on pages 75 to 77. Mr. Senan Murphy was appointed as a non-executive director on 1 October 2022. Mr. Michael Cawley and Mr. John Cronin will be retiring as non-executive directors following the conclusion of the AGM on 28 April 2023.

#### Conflicts Of Interest

None of the directors have any direct or indirect interest in any contract or arrangement subsisting at the date hereof which is significant in relation to the business of the Company or any of its subsidiaries nor in the share capital of the Company or any of its subsidiaries.

### Financial Instruments

In the normal course of business, the Group has exposure to a variety of financial risks, including foreign currency risk, interest rate risk, liquidity risk, and credit risk. The Company's financial risk objectives and policies are set out in Note 20 of the Financial Statements.

### Political Donations

Neither the Company nor any of its subsidiaries have made any political donations in the year which would be required to be disclosed under the Electoral Act 1997 (2021: €nil).

### Subsidiary Companies

Kingspan is a truly global business, trading in over 80 countries with 212 manufacturing sites across the globe.

The Company's principal subsidiaries and substantial undertakings at 31 December 2022, country of incorporation and nature of business are listed on pages 193 to 194 of this Annual Report.

The Company does not have any branches outside of Ireland.

### Significant Events Since Year End

There have been no significant events since the year end which would require adjustment to, or disclosure in this report.

### Going Concern

The directors have reviewed budgets and projected cash flows for a period of not less than 12 months from the date of this Annual Report, and considered its net debt position and capital commitments, available committed banking facilities and other relevant information including the economic conditions currently affecting the building environment generally and the Group's Strategic Plan. On the basis of this review the directors have concluded that there are no material uncertainties that would cast significant doubt over the Company's and the Group's ability to continue as a going concern. For this reason, the directors consider it appropriate to adopt the going concern basis in preparing the financial statements.

### Viability Statement

In accordance with Provision 31 of the 2018 UK Corporate Governance Code, the directors are required to assess the prospects of the Company, explain the period over which we have done so and state whether we have a reasonable expectation that the Company will be able to continue in operation and meet liabilities as they fall due over this period of assessment.

The directors have assessed the prospects of the Group over the three-year period to February 2026.

The directors concluded that three years was an appropriate period for the assessment, having had regard to:

- the Group's rolling Strategic Plan which extends to 2026;
- the Group's long-term funding commitments, some of which fall to be repaid during the period;
- the inherent short-cycle nature of the construction market including the Group's order book and project pipeline; and

- the potential impact of macro-economic events and political uncertainty in some regions.

It is recognised that such future assessments are subject to a level of uncertainty that increases with time, and therefore future outcomes cannot be guaranteed or predicted with certainty.

The Group Strategic Plan is approved by the Board, building upon the several divisional management plans as well as the Group's strategic goals. It is based on a number of cautious assumptions concerning macro growth and stability in our key markets, and continued access to capital to support the Group's ongoing investments. The strategic plan is subject to stress testing which involves flexing a number of the main assumptions underlying the forecast in severe but reasonable scenarios. Such assumptions are rigorously tested by management and the directors. It is reviewed and updated annually and was considered and approved by the Board at its meeting in October 2022.

In making this assessment, the directors have considered the resilience of the Group, taking account of its current position and the principal risks facing the business as outlined in the Risk & Risk Management Report contained in this Annual Report, and the Group's ability to manage those risks. The risks have been identified using a top-down and bottom-up approach, and their potential impact was assessed having regard to the effectiveness of controls in place to manage each risk. In assessing the prospects of the Group such potential impacts have been considered as have the mitigating factors in place.

Based on this assessment the directors have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the three-year period of their assessment.

### Directors' Responsibility Statement

Each of the directors whose names and functions are set out in the Board section of this Annual Report confirm their responsibility for preparing the Annual Report and the consolidated and Company financial statements in accordance with applicable Irish law and regulations.

Company law in Ireland requires the directors to prepare financial statements for each financial year. Under that law the directors have to prepare the consolidated financial statements in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union (EU). The directors have elected to prepare the Company financial statements in accordance with IFRSs as adopted by the EU and as applied by the Companies Act 2014. The financial statements are required by law to give a true and fair view of the assets, liabilities and financial position of the Group and Company as at 31 December 2022 and of the profit or loss of the Group for that period. In preparing those financial statements, the directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable IFRSs have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Company, and the Group as a whole, will continue in business.

The directors are responsible for keeping accounting records which disclose with reasonable accuracy at any time the financial position of the Group and the Company and which enable them to ensure that the financial statements comply with the Companies Act 2014 and Article 4 of the IAS Regulation.

## Kingspan is truly a global business, trading in over 80 countries with 212 manufacturing sites across the globe.

They are responsible for safeguarding the assets of the Group and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The directors are responsible for the maintenance and integrity of the corporate and financial information on the Company's website. Legislation in the Republic of Ireland governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

In accordance with Transparency (Directive 2004/109/EC) Regulations 2007 and the Transparency Rules of the Financial Regulator, the directors confirm that to the best of their knowledge:

- the Group financial statements and the Company financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group and Company; and
- the Report of the Directors includes a fair review of the development and performance of the business and the position of the Group and Company, together with a description of the principal risks and uncertainties that they face.

### Legacy Magnet Academy

California, USA  
Insulated Panels  
Dri-Design



Read more about our principal subsidiaries and substantial undertakings on pages 193-194

They are also satisfied in compliance with Provision 27 of the 2018 UK Corporate Governance Code:

- that the Annual Report and financial statements, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's position, business model and strategy.

#### Directors' Compliance Statement

The directors acknowledge that they are responsible for securing the Company's compliance with its relevant obligations in accordance with Section 225(2) (a) of the Companies Act 2014 (the "Act") (described below as the "Relevant Obligations").

In accordance with Section 225 (2) (b) of the Act, the directors confirm that they have:

1. drawn up a Compliance Policy Statement setting out the Company's policies (that are, in the opinion of the directors, appropriate to the Company) in respect of the compliance by the Company with its Relevant Obligations;
2. put in place appropriate arrangements or structures that, in the opinion of the directors, provide a reasonable assurance of compliance in all material respects with the Company's Relevant Obligations; and
3. during the financial year to which this report relates, conducted a review of the arrangements or structures that the directors have put in place to ensure material compliance with the Company's Relevant Obligations.

#### Audit Information

Each of the directors have taken all the steps that they should or ought to have taken as a director in order to make himself or herself aware of any relevant audit information and to establish that the Group's statutory auditor is aware of that information. So far as the directors are aware, there is no relevant information of which the Group's statutory auditor is unaware.

#### Auditor

In accordance with Section 383(2) of the Companies Act 2014, the Company's auditor, EY, will continue in office. EY were first appointed as the Company's auditor on 1 May 2020, with effect for the financial year ending 31 December 2020. A resolution authorising the directors to determine their remuneration will be proposed at the AGM.

On behalf of the Board

**Gene M. Murtagh**  
Chief Executive Officer

**Geoff Doherty**  
Chief Financial Officer

21 February 2023

Stocksporthalle  
Salzburg, Austria  
Insulated Panels  
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We have innovated a portfolio of advanced products and solutions for architects and building owners which enable them to construct buildings that consume less resources.