



Chairman's Statement

Jost Massenberg



I am pleased to report on another year of record performance by Kingspan, in what turned out to be a year of two halves. Solid momentum in the early part of 2022 gave way to more challenging conditions in the second half, delivering total revenue for the year of €8.3bn (2021: €6.5bn) and record trading profits of €833m (2021: €755m).

Delivering on strategy

This excellent result, against a backdrop of global uncertainty in many of our markets, demonstrates the success of our core strategy centred around the four key pillars of Innovation, Planet Passionate, Global, and Completing the Envelope.

Our strong balance sheet enabled us to pursue investment opportunities that bolster this strategy. During the year, we achieved a new milestone in 'Completing the Envelope' by establishing a new global Roofing + Waterproofing division through the acquisition of Ondura Group, a global provider of roofing solutions, and Derbigum, a leading Belgian based provider of waterproofing membranes. In parallel, we have continued our organic global growth, with several new facilities either commissioned or in progress during the year including in Vietnam, Australia, Brazil and the US.

We also continued to invest in new high performance technologies with the development of the A-rated AlphaCore® insulation board, and the new QuadCore™ LEC (lower embodied carbon) insulated panel, both of which will be launched to market in early 2023, and will help our end users to reduce the carbon footprint of the built environment. Throughout the year we continued to make meaningful progress in our Planet Passionate programme, including further advances in absolute carbon emission reduction across our global operations, full details of which will be published shortly in our 2022 Planet Passionate Sustainability Report.

Dividend

Thanks to these positive results, the Board is pleased to recommend a final dividend of 23.8 cent per share, which if approved at the Annual General Meeting, will give a total dividend for the year of 49.4 cent (compared to 45.9 cent in the prior year). This is in line with the Company's previously announced shareholder returns policy. If approved, the final dividend will be paid (subject to Irish withholding tax rules) on 9 May 2023 to shareholders on the register at close of business on 14 April 2023.



Revenue

€8.3bn
+28%

2021: €6.5bn

I extend my sincere thanks to management and all our colleagues across the business for your hard work and contribution to Kingspan's success in 2022.

Management and employees

Kingspan is a team of over 22,000 talented and dedicated people. On behalf of the Board, I particularly want to welcome those who joined the business during this past year. They joined a pioneering team of colleagues and innovators who make a difference to our planet and the climate challenge every day. During 2022, the Board and I were delighted to meet and hear from many of you on our trips to LATAM and the Nordics, amongst others.

I extend my sincere thanks to management and all our colleagues across the business for your hard work and contribution to Kingspan's success in 2022. I look forward to meeting many more of you from the Kingspan team on our site visits later this year.

Ukraine and Turkey

Like so many others, we were shocked as events unfolded in Ukraine last year. I particularly want to send my good wishes to our Ukrainian colleagues, their families and their loved ones. In response, Kingspan supported the establishment of five UNICEF Blue Dot Hubs, to provide support and protection to those fleeing the war. We also announced our proposed €200m investment in a new Building Technology Campus in Ukraine where we will manufacture

a range of products to help meet Ukraine's vision of rebuilding a low carbon built environment to the highest levels of energy-efficiency. We intend to establish this campus as soon as conditions permit, and indeed significant preparatory work is already under way.

We were also deeply distressed by the recent earthquake in Turkey and Syria which has had a devastating impact on many of our colleagues in our Turkish facilities. Kingspan is already providing practical support to those on the ground, and on behalf of the Board, I extend our sincerest sympathies and support to all those affected.

Board governance

In last year's Annual Report, I highlighted the Board's key areas of focus around governance. Following on from that, the Board appointed *Better Boards* to carry out an independent review of the Board, into its effectiveness, culture, committees, and composition. The review found that the Board and its committees were working effectively, whilst also highlighting the need to further build diversity and international experience at Board level. The Board has adopted all the recommendations of the *Better Boards* report, including formally underpinning its commitment to improving diversity through the adoption of Kingspan's Board Diversity Policy. Further details of *Better Boards* report and recommendations are set out in the Report of the Nominations & Governance Committee.

Board changes

During the year, we were delighted to welcome Senan Murphy to the Board as an independent non-executive director. Senan brings a wealth of industry and financial experience across multiple sectors including banking, building materials and renewable energy. We are also very pleased to announce the appointment of Louise Phelan, who will join

the Board in April this year as an independent non-executive director. Louise is a highly respected business leader and adviser, with experience leading global organisations in both the renewable energy and finance sectors. We look forward to benefitting from their experience in the years ahead.

Following the conclusion of this year's Annual General Meeting in April, both Michael Cawley and John Cronin will be retiring from the Board on the expiration of their terms of office. Both Michael and John have been valued Board and committee members over the past nine years. On behalf of the Board, I would like to thank them both for their significant contributions to Kingspan during those years.

Looking ahead

No doubt 2023 will bring fresh challenges to Kingspan and the wider global community. However, I remain confident that Kingspan's strong balance sheet and management's relentless focus on delivering on its strategy, will continue to build on the success of prior years in bringing sustainable long-term value to our stakeholders whilst supporting the climate change goals of our end users across the globe.

Jost Massenberg
Chairman

21 February 2023



Trading Profit

€833m

+10%

2021: €755m

