

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



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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 and 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). 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.



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. 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
Resident	Germany	Ireland	Ireland	Ireland	Ireland	Ireland	USA	Ireland
International	✓	✓	✓	✓	✓	✓	✓	✓
Financial	✓	✓	✓	✓	✓	✓	✓	✓
Banking		✓	✓	✓	✓	✓	✓	✓
Governance	✓	✓	✓	✓	✓	✓	✓	✓
Leadership	✓	✓	✓	✓	✓	✓	✓	✓
Industry	✓		✓		✓	✓	✓	✓
Environmental*	✓		✓		✓			✓
Risk			✓	✓		✓		✓
Legal				✓				
Workforce		✓			✓			

*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.

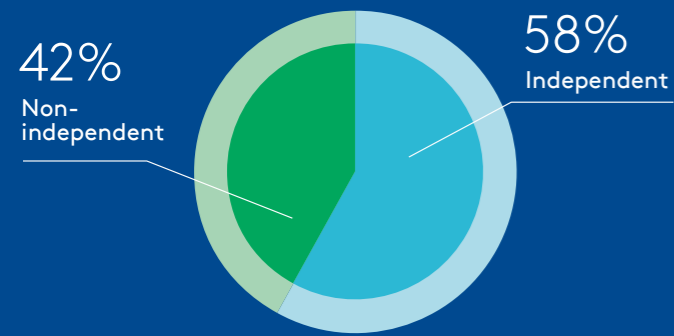
External commitments

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.

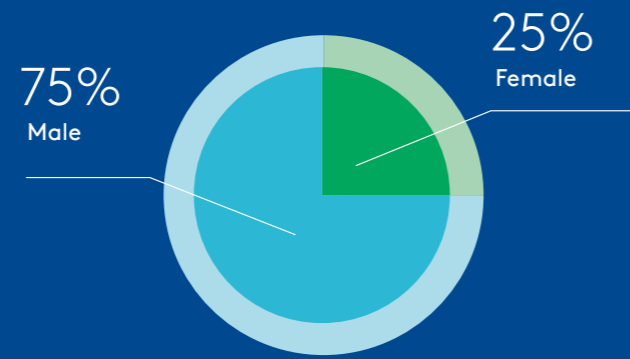
Board Balance as at
31 December 2022

Independence*



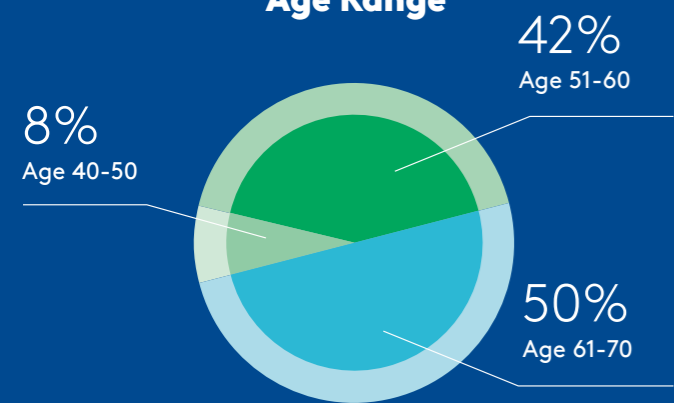
* Planned 55% independent from April 2023

Gender Diversity**

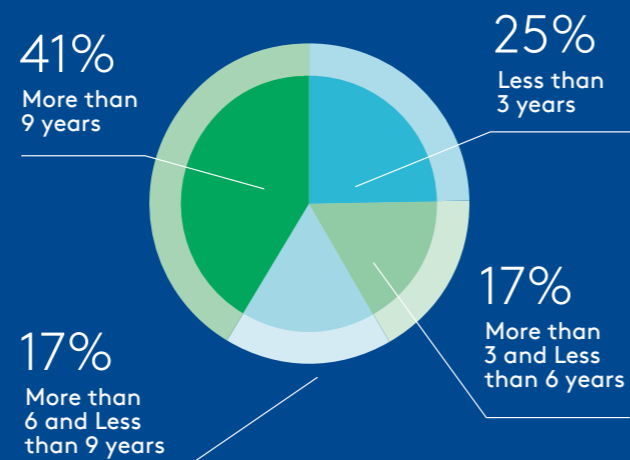


** Planned 36% female from April 2023

Age Range



Tenure



Carson Wealth Management
Nebraska, USA
Insulated Panels
QuadCore™